BASE PROSPECTUS
Dated 24 May 2019

MEDIOBANCA - Banca di Credito Finanziario S.p.A.

(incorporated with limited liability in the Republic of Italy)

MEDIOBANCA INTERNATIONAL (Luxembourg) S.A.

(incorporated with limited liability in Luxembourg)

Issuance Programme

guaranteed in the case of Certificates issued by Mediobanca International (Luxembourg) S.A.

by

MEDIOBANCA - Banca di Credito Finanziario S.p.A.

*Under the Issuance Programme (the "**Programme**") described in this Base Prospectus (as defined below), each of Mediobanca - Banca di Credito Finanziario S.p.A. ("**Mediobanca**") and Mediobanca International (Luxembourg) S.A. ("**Mediobanca International**") (each an "**Issuer**" and together the "**Issuers**") may from time to time issue certificates ("**Certificates**"or the "**Securities**"), subject in each case to compliance with all relevant laws, regulations and directives. The payment of all amounts due and the performance of any non-cash delivery obligations in respect of any Securities issued by Mediobanca International will be unconditionally and irrevocably guaranteed by Mediobanca (in such capacity, the "**Guarantor**") under a deed of guarantee and subject to the limitations thereof executed by the Guarantor and dated 24 May 2019 (the "**Deed of Guarantee**").*

An investment in Securities issued under the Programme involves certain risks. For a discussion of these risks, see "Risk Factors" beginning on page 143.

*This Base Prospectus has been approved by the Central Bank of Ireland (the "**Central Bank**") as competent authority under Directive 2003/71/EC as amended (the "**Prospectus Directive**"). The Central Bank only approves this Base Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Such approval relates only to the Securities which are to be admitted to trading on a regulated market for the purposes of Directive 2014/65/EU as amended ("**MiFID II**") and/or which are to be offered to the public in any member state of the European Economic Area. Application will be made to the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") for Securities issued under the Programme during the period of twelve months after the date hereof to be admitted to the official list (the "**Official List**") and trading on its regulated market. The regulated market of Euronext Dublin is a regulated market for the purposes of MiFID II. Application may also be made for certain Securities issued under the Programme (i) to the Luxembourg Stock Exchange 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 Securities may also be admitted to trading (i) on the*

*multilateral trading facility of securitised derivatives financial instruments, organised and managed by Borsa Italiana S.p.A. (the "**SeDeX**") and (ii) on the multilateral trading facility of EuroTLX managed by EuroTLX SIM S.p.A. ("**EuroTLX**"), being understood that the admission to trading on SeDeX or EuroTLX and/or any other multilateral trading facilities will not be done under the Prospectus Directive passporting regime. The applicable Final Terms will specify whether or not application will be made for the Securities to be listed and/or admitted to trading on Euronext Dublin and/or the Luxembourg Stock Exchange and/or SeDeX and/or EuroTLX.*

The Programme provides that Securities may be listed or admitted to trading (as the case may be) on such other or further stock exchange(s) or market(s) or multilateral trading facility(ies) as may be agreed between the relevant Issuer, the Guarantor (where applicable) and the relevant Dealer (as defined in "Plan of Distribution"). Unlisted Securities or Securities not admitted to trading on any trading venue may also be issued. This Base Prospectus comprises two base prospectuses (one for each Issuer, each of which referred to herein as the "Base Prospectus") for the purposes of the Prospectus Directive.

*The Central Bank may, at the request of the relevant Issuer, send to the competent authority of another European Economic Area member state (i) a copy of this Base Prospectus; (ii) a certificate of approval pursuant to Article 18 of the Prospectus Directive attesting that this Base Prospectus has been drawn up in accordance with the Prospectus Directive (an "**Attestation Certificate**"); and (iii) if so required by such competent authority, a translation of the summary set out on pages from 14 to 133 of this Base Prospectus. The language of the prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.*

*Notice of the aggregate notional amount of Securities (if applicable), remuneration (if any) payable in respect of Securities, issue price of Securities and any other terms and conditions not contained herein which are applicable to each Tranche (as defined below) of Securities will be set out in the final terms relating to the Securities (the "**Final Terms**") which will be delivered to the Central Bank and, with respect to Securities to be listed on the Official List of Euronext Dublin, will be delivered to Euronext Dublin and, with respect to Securities to be listed on any other or further Stock Exchange, will be delivered to the relevant Stock Exchange.*

*The terms and conditions of the Securities to be issued under the Programme (see "Terms and Conditions of the Securities" below) (the "**Terms and Conditions**" or the "**Conditions**") will be completed by the Final Terms.*

*The Securities have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or any state securities laws, and may not be offered or sold within the United States or to, or for the account or benefit of, any U.S. person (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Securities will be offered and sold in offshore transactions outside the United States in reliance on Regulation S under the Securities Act. The Securities will be in bearer form and as such are subject to certain U.S. tax law requirements.*

*Amounts payable under the Securities or assets deliverable under the Securities may be calculated by reference to EURIBOR, LIBOR, LIBID, LIMEAN or CMS which are respectively provided by the European Money Markets Institute ("**EMMI**") for EURIBOR and ICE Benchmark Administration Limited ("**ICE**") for LIBOR and CMS. At the date of this Base Prospectus, ICE has been authorised as a regulated benchmark administrator pursuant to*

*Article 34 of Regulation (EU) 2016/1011 (the "**BMR**") and appears on the public register of administrators established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to Article 36 of the Benchmarks Regulation. As at the date of this Base Prospectus, the EMMI does not appear on the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation. As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmarks Regulation apply, such that EMMI is not currently required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence).*

Amounts payable under the Securities or assets deliverable under the Securities may also be calculated or otherwise determined by reference to an index or a combination of indices (other than EURIBOR, LIBOR, LIBID, LIMEAN or CMS). Any such index may constitute a benchmark for the purposes of the BMR. If any such index does constitute such a benchmark the applicable Final Terms will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by ESMA pursuant to article 36 of the BMR. Not every index will fall within the scope of the BMR. Furthermore, transitional provisions in the Benchmarks Regulation may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the applicable Final Terms. The registration status of any administrator under the BMR is a matter of public record and, save where required by applicable law, the relevant Issuer does not intend to update the applicable Final Terms to reflect any change in the registration status of the administrator.

Arranger of the Programme

MEDIOBANCA - Banca di Credito Finanziario S.p.A.

Mandated Dealer

MEDIOBANCA - Banca di Credito Finanziario S.p.A.

IMPORTANT NOTICES

This document constitutes a Base Prospectus for each Issuer for the purposes of Article 5.4 of the Prospectus Directive.

Each of the Issuers and the Guarantor accepts responsibility for the information contained in this document and, to the best of the knowledge of each of the Issuers and the Guarantor (which have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

*Each of the Issuers and the Guarantor, having made all reasonable enquiries confirms that (i) this Base Prospectus contains all information with respect to the Issuers, the Guarantor and its subsidiaries taken as a whole (the "**Group**" or the "**Mediobanca Group**"), the Securities and the Deed of Guarantee which is material in the context of the issue and offering of the Securities, (ii) the statements contained in this Base Prospectus relating to the Issuers, the Guarantor and the Mediobanca Group are in every material respect true and accurate and not misleading, the opinions and intentions expressed in this Base Prospectus with regard to the Issuers, the Guarantor and the Mediobanca Group are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions, (iii) there are no other facts in relation to the Issuers, the Guarantor, the Mediobanca Group, the Securities or the Deed of Guarantee the omission of which would, in the context of the issue and offering of Securities, make any statement in this Base Prospectus misleading in any material respect, and (iv) all reasonable enquiries have been made by the Issuers and the Guarantor to ascertain such facts and to verify the accuracy of all such information and statements.*

This Base Prospectus should be read and construed together with any supplement hereto and with any other documents incorporated by reference herein and, in relation to any Tranche of Securities, should be read and construed together with the relevant Final Terms.

No person has been authorised to give any information or to make any representation other than those contained in this Base Prospectus in connection with the issue, offer or sale of Securities and, if given or made, such information or representation must not be relied upon as having been authorised by either of the Issuers, the Guarantor or any of the Dealers. Neither the delivery of this Base Prospectus or any Final Terms nor any offering or sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of either Issuer or the Guarantor since the date hereof or the date upon which this document has been most recently supplemented or that there has been no adverse change in the financial position of either Issuer or the Guarantor since the date hereof or the date upon which this document has been most recently supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

Purchases of Securities may be made through a duly appointed Dealer of the relevant Issuer. The relevant Issuer may also offer and sell Securities directly to investors without the involvement of any Dealer.

The Issuers and the Guarantor will enter into a Dealer Agreement with the Mandated Dealer (as defined in this Base Prospectus) in connection with the issue of Securities for the purpose of the distribution of the Securities to prospective investors. Pursuant to the terms of the Dealer Agreement, the relevant Issuer(s) may appoint one or

more Dealer(s) under the Programme to subscribe or procure subscribers for all or part of the Securities of the relevant Series. See the section on "Plan of Distribution" in this Base Prospectus for further details.

This Base Prospectus does not constitute an offer of, or an invitation by or on behalf of either Issuer, the Guarantor or any of the Dealers to subscribe for, or purchase, any Securities.

The distribution of this Base Prospectus and the offering or sale of Securities in certain jurisdictions may be restricted by law. The Issuers and the Dealers do not represent 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 assume any responsibility for facilitating any such distribution or offering. No Securities may be offered or sold, directly or indirectly including to the public, 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 Securities may come 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, the Securities have not been and will not be registered under the Securities Act and are subject to U.S. tax law requirements.

This Base Prospectus has been prepared by the Issuers and the Guarantor for use in connection with the offer and sale of Securities in reliance upon Regulation S of the Securities Act outside the United States to non-U.S. persons or in transactions otherwise exempt from registration. Its use for any other purpose in the United States is not authorised. It may not be copied or reproduced in whole or in part nor may it be distributed or any of its contents disclosed to anyone other than the prospective investors to whom it is originally submitted.

The Securities have not been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Securities or the accuracy or the adequacy of this Base Prospectus. Any representation to the contrary is a criminal offence in the United States.

For a description of additional restrictions on the distribution of this Base Prospectus and the offer or sale of Securities in the United States, the European Economic Area (including the United Kingdom and Italy) and other jurisdictions, see "Plan of Distribution".

The Dealers and PricewaterhouseCoopers S.p.A and PricewaterhouseCoopers, Société coopérative, as auditors to, respectively, Mediobanca and Mediobanca International have not separately verified the information contained in this Base Prospectus. None of the Dealers makes any representation express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Base Prospectus. Neither this Base Prospectus nor any financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by either of the Issuers, the Guarantor or any of the Dealers that any recipient of this Base Prospectus or any financial statements should subscribe or purchase any Securities.

Each potential investor should determine for itself the relevance of the information contained in this Base Prospectus and its purchase of Securities should be based upon such investigation as it deems necessary. None of the Dealers undertakes to review the financial condition or affairs of the relevant Issuer or the Guarantor during

the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or potential investor in the Securities of any information coming to the attention of any of the Dealers.

STABILISATION

*In connection with the issue of any Tranche of Securities under the Programme, the Dealer or Dealers (if any) named as the stabilising manager(s) (the "**Stabilising Manager(s)**") (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Securities or effect transactions with a view to supporting the market price of the Securities at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Securities is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Securities and 60 days after the date of the allotment of the relevant Tranche of Securities. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or persons acting on behalf of a Stabilising Manager) in accordance with all applicable laws and rules.*

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*Securities may be issued on a continuous basis in series (each a "Series") having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Securities of each Series being intended to be interchangeable with all other Securities, as the case may be, of that Series. Each Series may be issued in tranches (each a "**Tranche**") on different issue dates. The specific terms of each Tranche (which save in respect of the issue date, issue price, first payment of remuneration and aggregate notional amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set forth in the relevant Final Terms, the form of which is set out in "Form of Final Terms" below.*

***PRIIPs/ IMPORTANT - EEA RETAIL INVESTORS** - If the Final Terms in respect of any Securities includes a legend entitled "**Prohibition of Sales to EEA Retail Investors**", the Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (UE) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the "**Prospectus Directive**"). Consequently, no key information document required by Regulation (EU) No. 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.*

***MIFID II PRODUCT GOVERNANCE / TARGET MARKET** The Final Terms in respect of any Securities may include a legend entitled "**MiFID II Product Governance**" which will outline the target market assessment in respect of the Securities and which channels for distribution of the Securities are appropriate and may also include informantion on the product approval process. Any person subsequently offering, selling or recommending such Securities (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Securities (by either adopting or refining the target market assessment) and determining*

*appropriate distribution channels. A determination will be made at the time of issue about whether, for the purpose of the product governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any Dealer subscribing for a Tranche of Securities is a manufacturer in respect of that Tranche, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.*

*In this Base Prospectus, unless otherwise specified or the context otherwise requires: references to "**$**", "**U.S.$**", "**USD**" and "**US Dollars**" are to the lawful currency of the United States of America; references to "**Euro**" are to the single currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended; references to "**£**" are to the lawful currency of the United Kingdom; and references to "**Yen**" are to the lawful currency of Japan.*

IMPORTANT INFORMATION RELATING TO PUBLIC OFFERS OF SECURITIES WHERE THERE IS NO EXEMPTION FROM THE OBLIGATION UNDER THE PROSPECTUS DIRECTIVE TO PUBLISH A PROSPECTUS

Public Offers of Securities in the European Economic Area

*Certain Tranches of Securities with a denomination of less than EUR 100,000 (or its equivalent in any other currency) may, subject as provided below, be offered in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to in this Base Prospectus as a "**Public Offer**". This Base Prospectus has been prepared on a basis that permits Public Offers of Securities. Any person making or intending to make a Public Offer of Securities in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") may only do so if this Base Prospectus 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 published in accordance with the Prospectus Directive, provided that the Issuer has consented to the use of this Base Prospectus in connection with such offer as provided under "Consent given in accordance with Article 3.2 of the Prospectus Directive (Retail Cascades)" and the conditions attached to that consent are complied with by the person making the Public Offer of such Securities.*

*In the context of any Public Offer of Securities, the Issuer has requested the Central Bank to provide a certificate of approval in accordance with Article 18 of the Prospectus Directive (a "**passport**") in relation to the passporting of the Base Prospectus to the competent authorities of Luxembourg and Republic of Italy (the "**Host Member States**"). Even though the Issuer has elected (or will elect) to passport this Base Prospectus into the Host Member States, it does not mean that it will choose to make any Public Offer in the Host Member States. Investors should refer to the Final Terms for any issue of Securities to see whether the Issuer has elected to make a public offer of Securities in either the Republic of Ireland or a Host Member State (each a "**Public Offer Jurisdiction**").*

*The Issuer accepts responsibility in the Public Offer Jurisdictions for which it has given consent referred to herein for the content of this Base Prospectus in relation to any person (an "**Investor**") to whom an offer of any Securities is made by any financial intermediary to whom the Issuer has given its consent to use this Base Prospectus (such financial intermediary, an "**Authorised Offeror**"), where the offer is made during the period for which that consent is given and is in compliance with all other conditions attached to the giving of the consent, all as mentioned in this Base Prospectus. However, the Issuer does not have any responsibility for any of the actions of an Authorised Offeror, including compliance by an Authorised Offeror with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to such offer.*

Consent given in accordance with Article 3.2 of the Prospectus Directive (Retail Cascades)

Any offer made without the consent of the relevant Issuer or the Guarantor (as applicable) is unauthorised and neither the relevant Issuer nor the Guarantor (as applicable), nor, for the avoidance of doubt, any of the Dealers accepts any responsibility or liability in relation to such offer or for the actions of the persons making any such unauthorised offer.

If, in the context of a Public Offer, an Investor is offered Securities by a person which is not an Authorised Offeror, the Investor should check with such person whether anyone is responsible for this Base Prospectus for the purpose of the relevant Public Offer and, if so, who that person is.

If an Investor is in any doubt about whether it can rely on this Base Prospectus and/or who is responsible for its contents, the Investor should take legal advice.

Consent to the use of this Base Prospectus

Common conditions to Consent

The conditions to the consent of the Issuers and the Guarantor are (in addition to the conditions described in either sub-paragraph (a) (Specific Consent) or sub-paragraph (b) (General Consent) under "Specific Consent and General Consent" below) that such consent:

(i) *is only valid in respect of the relevant Tranche of Securities;*

(ii) *is only valid during the Offer Period specified in the applicable Final Terms; and*

(iii) *only extends to the use of this Base Prospectus to make Public Offers of the relevant Tranche of Securities in such of the Public Offer Jurisdictions as are specified in the applicable Final Terms.*

The consent referred to above relates to Public Offers occurring within twelve months from the date of this Base Prospectus.

Specific Consent and General Consent

Subject to the conditions set out above under "Common Conditions to Consent", each of the Issuers and the Guarantor consents to the use of this Base Prospectus in connection with a Public Offer of Securities in any Public Offer Jurisdiction by:

(a) *Specific Consent:*

  (i) *the Dealers specified in the relevant Final Terms;*

  (ii) *any financial intermediaries specified in the applicable Final Terms; and*

  (iii) *any financial intermediary appointed after the date of the applicable Final Terms and whose name is published on the website of the Issuers (https://mediobanca.com) and identified as an Authorised Offeror in respect of the relevant Public Offer; and*

(b) *General Consent:*

  if General Consent is specified in the relevant Final Terms as applicable, any other financial intermediary which:

(i) *is authorised to make such offers under Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, including under any applicable implementing measure in each relevant jurisdiction ("**MiFID II**"); and*

(ii) *accepts such offer by publishing on its website the following statement (with the information in square brackets duly completed with the relevant information) (the "**Acceptance Statement**"):*

*"We, [insert legal name of financial intermediary], refer to the [insert title of relevant Securities] (the "**Securities**") described in the Final Terms dated [insert date] (the "**Final Terms**") published by [ISSUER] (the "**Issuer**") [and [GUARANTOR] (the "**Guarantor**"].*

In consideration of the Issuer [and the Guarantor] offering to grant their consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Securities in [insert name(s) of relevant Public Offer Jurisdiction(s)] during the Offer Period in accordance with the Authorised Offeror Terms (as specified in the Base Prospectus), we accept the offer by the Issuer [and Guarantor]. We confirm that we are authorised under MiFID II to make, and are using the Base Prospectus in connection with, the Public Offer accordingly.

Terms used herein and otherwise not defined shall have the same meaning as given to such terms in the Base Prospectus. "

Any financial intermediary falling within this sub-paragraph (b) who wishes to use this Base Prospectus in connection with a Public Offer is required, for the duration of the relevant Offer Period specified in the applicable Final Terms, to publish a duly completed Acceptance Statement on its website.

Arrangements between an Investor and the Authorised Offeror who will distribute the Securities

Neither the Issuers nor the Guarantor (nor, for the avoidance of doubt, any of the Dealers) has any responsibility for any of the actions of any Authorised Offeror, including compliance by an Authorised Offeror with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to such offer.

AN INVESTOR INTENDING TO ACQUIRE OR SUBSCRIBE OR ACQUIRING OR SUBSCRIBING ANY SECURITIES IN A PUBLIC OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH SECURITIES TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING AS TO PRICE, ALLOCATIONS, EXPENSES AND SETTLEMENT ARRANGEMENTS. NEITHER THE ISSUERS NOR THE GUARANTOR WILL BE A PARTY TO ANY SUCH ARRANGEMENTS WITH SUCH INVESTORS IN CONNECTION WITH THE PUBLIC OFFER OR SALE OF THE SECURITIES CONCERNED AND, ACCORDINGLY, THIS BASE PROSPECTUS AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE INVESTOR MUST LOOK TO THE RELEVANT AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION AND THE AUTHORISED OFFEROR WILL BE RESPONSIBLE FOR SUCH INFORMATION. NONE OF THE ISSUERS, THE GUARANTOR

AND THE DEALERS HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF SUCH INFORMATION.

IN THE EVENT OF AN OFFER BEING MADE BY A FINANCIAL INTERMEDIARY, SUCH FINANCIAL INTERMEDIARY WILL PROVIDE INFORMATION TO INVESTORS ON THE TERMS AND CONDITIONS OF THE OFFER AT THE TIME THE OFFER IS MADE.

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SUMMARY OF THE PROGRAMME

Summaries are made up of disclosure requirements known as "Elements". These elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of " not applicable".

Certain provisions of this summary appear in brackets. Such information will be completed or, where not relevant, deleted, in relation to a particular Series of Securities and the completed summary in relation to such Series of Securities shall be appended to the relevant Final Terms.

Section A – Introduction and warnings

Element	Description of Element	Disclosure requirement
A.1	**Warnings**	This summary must be read as an introduction to the Base Prospectus and any decision to invest in the Securities should be based on a consideration of the Base Prospectus as a whole, including any information incorporated by reference. Following the implementation of the Prospectus Directive (Directive 2003/71/EC) in each Member State of the European Economic Area, no civil liability will attach to the Responsible Persons in any such Member State solely on the basis of this summary including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus, including any information incorporated by reference, or it does not provide, when read together with the other parts of this Base Prospectus, key information in order to aid investors when considering whether to invest in the Securities. Where a claim relating to the information contained in the Base Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the Base Prospectus before the legal proceedings are initiated.
A.2	**Consent to the use of the Base Prospectus**	[Not Applicable – The Issuer [and the Guarantor] do[es] not consent to the use of the Base Prospectus for subsequent resales.] [Not Applicable. - The Issuer, acting also as [Distributor], is the only person ("**Offeror**" and "**Distributor**") authorised to use the Prospectus to make the Non-exempt Offer of the Securities in [*insert name(s) of relevant Public Offer Jurisdiction(s)*] during the period from [ ] up to [ ], [subject to any [early closing] [or] [extension of the Offer Period] (the "**Offer Period**").] [The Issuer [and the Guarantor] consent[s] to the use of this Base Prospectus in connection with a Non-exempt Offer of the Securities subject to the following conditions: (i) the consent is only valid during [*offer period for the issue to be specified here*] (the "**Offer Period**"); (ii) the only persons ("**Authorised Offeror**") authorised to use this Base Prospectus to make the Non-exempt Offer of the Securities are the relevant Dealer and [(a) [ ] [and [ ]] [and/or] (b) if the relavant Issuer appoints additional financial intermediaries after [ ] (being the date of the Final Terms) and publishes details of them on its website, each financial intermediary whose details are so published]/[any financial intermediary which is authorised to make such offers under Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, including under any applicable implementing measure in each relevant

Element	Description of Element	Disclosure requirement
		jurisdiction ("**MiFID II**") and publishes on its website the following statement (with the information in square brackets being duly completed with the relevant information): "We, [insert legal name of financial intermediary], refer to the [insert title of relevant Securities] (the "Securities") described in the Final Terms dated [insert date] (the "**Final Terms**") published by [ISSUER] (the "Issuer") [and [GUARANTOR] (the "Guarantor")]. In consideration of the Issuer [and the Guarantor] offering to grant their consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Securities in [*insert name(s) of relevant Public Offer Jurisdiction(s)*] during the Offer Period in accordance with the Authorised Offeror Terms (as specified in the Base Prospectus), we accept the offer by the Issuer [and Guarantor]. We confirm that we are authorised under MiFID II to make, and are using the Base Prospectus in connection with, the Public Offer accordingly. Terms used herein and otherwise not defined shall have the same meaning as given to such terms in the Base Prospectus. "; [and] (iii) the consent only extends to the use of this Base Prospectus to make Non-exempt Offers of the relevant Tranche of Securities in [ ] [and [ ]]; [and]] [(iv) the consent is subject to the following other condition[s]: [ ]].] [The consent referred to above is valid for the period of 12 months from the date of this Base Prospectus. The Issuer accepts responsibility, in the jurisdictions to which the consent to use this Base Prospectus extends, for the content of this Base Prospectus in relation to any investor who acquires or subscribe for any Securities issued by such Issuer in a Non-exempt Offer made by any person to whom consent has been given to use this Base Prospectus in that connection in accordance with the preceding paragraphs, provided that such Non-exempt Offer has been made in accordance with all the conditions attached to that consent.] **[AN INVESTOR INTENDING TO ACQUIRE OR SUBSCRIBE OR ACQUIRING OR SUBSCRIBING ANY SECURITIES IN A NON-EXEMPT OFFER FROM [[AN][THE] [AUTHORISED OFFEROR][DISTRIBUTOR] [OTHER THAN THE ISSUER] WILL DO SO, AND OFFERS AND SALES OF SUCH SECURITIES TO AN INVESTOR BY [SUCH] [AUTHORISED OFFEROR][DISTRIBUTOR] WILL BE MADE, IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN [SUCH] [AUTHORISED OFFEROR] [DISTRIBUTOR] AND SUCH INVESTOR INCLUDING AS TO PRICE, ALLOCATIONS, EXPENSES AND SETTLEMENT ARRANGEMENTS. [[NEITHER] THE ISSUER[S] [NOR THE GUARANTOR] WILL [NOT] BE A PARTY TO ANY SUCH ARRANGEMENTS WITH SUCH INVESTORS IN CONNECTION WITH THE PUBLIC OFFER OR SALE OF THE SECURITIES CONCERNED AND, ACCORDINGLY, THIS BASE PROSPECTUS AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION.] THE INVESTOR MUST LOOK TO THE RELEVANT [AUTHORISED OFFEROR][DISTRIBUTOR] AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION AND THE [AUTHORISED OFFEROR][DISTRIBUTOR] WILL BE RESPONSIBLE FOR SUCH INFORMATION. [[THE][NONE OF] THE ISSUER[S][, THE GUARANTOR] [AND THE DEALERS] [HAS][HAVE] ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF SUCH INFORMATION.]]**

Section B – Issuers and Guarantor

Element	Description of Element	Disclosure requirement
B.1	**Legal and Commercial Name of**	**[Mediobanca** Mediobanca – Banca di Credito Finanziario S.p.A. ("**Mediobanca**")]

Element	Description of Element	Disclosure requirement
	the Issuer	**[Mediobanca International** Mediobanca International (Luxembourg) S.A. ("**Mediobanca International**")]
B.2	**Domicile/Legal Form/Legislation/Country of Incorporation**	**[Mediobanca** Mediobanca was established in Italy. Mediobanca is a company limited by shares under Italian law with registered office at Piazzetta E. Cuccia 1, 20121 Milan, Italy. Mediobanca holds a banking licence from the Bank of Italy authorising it to carry on all permitted types of banking activities in Italy. Mediobanca is a bank organised and existing under the laws of Italy, carrying out a wide range of banking, financial and related activities throughout Italy.] **[Mediobanca International** Mediobanca International was established in Luxembourg.
		Mediobanca International is a *société anonyme* subject to Luxembourg law and having its place of registration in Luxembourg. Mediobanca International's registered office is at 4, Boulevard Joseph II, L-1840 Luxembourg, Grand Duchy of Luxembourg.]
B.4b	**Description of trends**	**[Mediobanca** Not applicable. As at the date of the Base Prospectus Mediobanca is not aware of any trends affecting itself and the industries in which it operates.] **[Mediobanca International** [Not applicable. As at the date of the Base Prospectus Mediobanca International is not aware of any trends affecting itself and the industries in which it operates.]
B.5	**Description of the group of the Issuer**	**[Mediobanca** Mediobanca is the parent company of the Mediobanca Group. The Mediobanca Group is registered as a banking group in the register instituted by the Bank of Italy.] [**Mediobanca International** Mediobanca International is part of the Mediobanca Group. The Mediobanca Group is registered as a banking group in the register instituted by the Bank of Italy.]
B.9	**Profit forecast/ estimate**	**[Mediobanca** Not Applicable. No forecast or estimates of profits are contained in the Base Prospectus.]

Element	Description of Element	Disclosure requirement
		[Mediobanca International Not Applicable. No forecast or estimates of profits are contained in the Base Prospectus.]
B.10	**Qualifications in the audit report**	**[Mediobanca** Not Applicable. There are no qualifications in the audit report.] **[Mediobanca International** Not Applicable. There are no qualifications in the audit report.]
B.12	**Selected historical key information/no material adverse change/significant changes**	**Mediobanca** The audited consolidated balance sheet and profit and loss account of Mediobanca as at 30 June 2018 are shown below, along with comparative data for the year ended 30 June 2017, plus a series of key financial indicators.

Regulatory capital and solvency margins

Indicators and own funds	**30/6/18**	**30/6/17**	**Minimum levels set by law****
	(€m) or %		
Common Equity Tier 1 – CET1	6,746.6	7,017.3	
Additional Tier 1 – AT1.....	-	-	
Tier 2 – T2.....	1,828.7	1,861.7	
Own funds	8,575.3	8,879	
RWAs*.....	47,362.7	52,708.2	
Common Equity Tier 1 ratio – CET1 ratio.....	14.24%	13.31%	7.625%
Tier 1 ratio – T1 ratio	14.24%	13.31%	8.5%
Total capital ratio	18.11%	16.85%	11.1255%
Risk-weighted assets/Total assets	65.5%	74.8%	
Leverage Ratio (temporary)***	8.8%	9.5%	

* Risk-weighted assets (RWAs) have been calculated using the standardised methodology for credit and market risks and the base methodology for operational risks.

** Limits include the Pillar II requisite (1.25%, as per the SREP decision issued on 22 November 2017) imposed by the regulatory authority and the capital conservation buffer (1.875%) for 2018; these limits, as from 1 January 2019, will have to reflect an increased capital conservation buffer of 2.50%, hence the levels will be 8.25% for the CET1 ratio, 9.75% for the Tier 1 ratio, and 11.75% for the total capital ratio, taking the same Pillar II requisite as the benchmark for this purpose

*** The "*leverage ratio*" is the Group's regulatory and tier 1 capital as a percentage of its total exposure (i.e. the sum of its assets and off-balance-sheet exposures). This indicator was introduced by the Basel Committee to keep down debt and contain excessive use of financial leverage in the banking sector.

Element	Description of Element	Disclosure requirement

CREDIT RISK INDICATORS*	30/6/17	Banking system data as at 31/12/16**	30/6/18	Banking system data as at 31/12/17**
	(%)			
Gross NPLs/gross loans	1.7%	10.9%	1.9%	9.1%
Net NPLs/net loans.....	0.8%	4.4%	1.0%	3.4%
Gross irregular items/gross loans	5.5%	17.6%	5.2%	14.5%
Net irregular items/ net loans	2.8%	9.4%	2.7%	7.3%
NPL coverage ratio.....	70.2%	63.1%	73.3%	65.3%
Irregular items coverage ratio	51.3%	51.7%	32.2%	53.8%
Net NPLs/net equity ...	3.5%	4.4%	4.9%	3.4%
Cost of risk***	0.9%	-	0.6%	-

*Data taken from information shown in Part B and Part E of the notes to the accounts and refer to the entire prudential consolidation area.
**Data taken from reports of financial stability published on 1 of April 2018, table 2.1, page. 26 and reports of financial stability published on 1 of April 2017, table 2.1, page 21 and refer to figures for significant banks.
*** The cost of risk is obtained from the ratio between total net loan loss provisions for the period and average net customer loans

COMPOSITION OF THE IMPAIRED LOANS*	30/6/18	30/6/17
	€m	
NPLs.....	423.30	291.60
Sub-standard.....	644.56	727.69
Overdue impaired	62.14	56.03
TOTAL IMPAIRED	**1,130**	**1,075.32**

* Data refer to the entire statutory area of consolidation used to prepare the Review of Operations. For purposes of completeness, please note that the same indicators calculated for the prudential consolidation area are shown in Part E *"Credit risk: credit quality"* of the Notes to the Accounts.

MAIN CONSOLIDATED BALANCE SHEET ITEMS	30/6/18	30/6/17	CHANGES 2018/2017 %
	€m	€m	
Assets			
Due from banks	7,553.0	7,959.9	-5.11%

Element	Description of Element	Disclosure requirement

Due from clients	40,977.9	38,763.1	5.71%
Financial assets*	16,748.3	17,089.1	-1.99%
Total Assets	**72,300.5**	**70,445.6**	2.63%
Liabilities			
Debt securities in issue	20,608.5	20,108.7	2.49%
Financial liabilities**	18,958.9	18,951.3	0.04%
Direct funding (from customers)***	21,320.0	20,366.0	4.68%
Net interbank position****	4,710.5	4,729.7	-0.41%
Net equity	9,732.2	9,191.7	5.88%
of which: share capital	459.9	457.2	0.59%

*Includes financial assets held for trading, AFS securities, financial assets held to maturity and the hedge derivatives.
**Includes amounts due to banks, trading liabilities and hedge derivatives.
***Includes amounts due to clients and financial liabilities recognised at fair value.
****Net balance between amounts due to banks and assets due from banks.

MAIN CONSOLIDATED PROFIT AND LOSS ACCOUNT ITEMS	30/6/18	30/6/17	CHANGES 2018/2017 %
	€m	**€m**	
Net interest income	1,366.0	1,277.5	6.93%
Net fee and commission income	456.3	377.9	20.75%
Total income	**2,053.3**	**1,943.3**	5.66%
Net profit from financial and insurance operations	1,890.0	1,687.5	12%
Operating costs	- 1,074.9	-1,035.7	3.78%
Profit before Tax	**1,095.8**	**914.0**	19.89%
Net Profit	**863.9**	**750.2**	15.16%

Selected interim financial information. The following table shows the unaudited consolidated interim financial statements of Mediobanca and its subsidiaries as at 31 December 2018 and 31 December 2017 reviewed by PricewaterhouseCoopers S.p.A..

MAIN CONSOLIDATED BALANCE SHEET ITEMS	31/12/18	31/12/17	CHANGES December 2018/2017 %
	€m	**€m**	
Assets			

Element	Description of Element	Disclosure requirement

Due from banks	7,436.5	6,774.7	9.8%
Due from clients	48,664.7	41,435.8	17.4%
Financial assets	14,945.5*	18,219.0**	-18.0%
Total Assets	**76,531.1**	**72,089.7**	6.2%
Liabilities			
Debt securities in issue	20,407.2	19,899.5	2.6%
Financial liabilities***	13,372.8	12,888.2	3.8%
Direct funding (from customers)****	23,769.3	21,721.9	9.4%
Net interbank position*****	5,755.8	5,872.7	-2.0%
Net equity	9,294.1	9,308.3	-0.2%
of which: share capital	460.2	458.6	0.3%

*Includes financial assets held for trading, AFS securities, financial assets held to maturity and the hedge derivatives.

**Includes financial assets measured at FVTPL, financial assets measured at FVOCI and the hedge derivatives.

*** Includes amounts due to banks and the hedge derivatives.

**** Includes amounts due to clients, and financial liabilities recognised at fair value.

***** Net balance between amounts due to banks and amounts due from banks.

MAIN CONSOLIDATED PROFIT AND LOSS ACCOUNT ITEMS	**31/12/18**	**31/12/17**	**CHANGES December 2018/2017 %**
	€m	**€m**	
Net interest income	725.3	684.5	6.0%
Net fee and commission income	226.5	204.8	10.6%
Total income	1,032.2	1,055.5	-2.2%
Net profit from financial and insurance operations	943.4	982.8	-4.0%
Operating costs	(526.4)	(497.4)	5.8%
Profit before Tax	**582.6**	**606.7**	**-4.0%**

Element	Description of Element	Disclosure requirement

Net Profit*	**453.0**	**478.1**	**-5.2%**

***** This value also includes the minority interest

[Mediobanca International

The audited balance sheet and profit and loss of Mediobanca International as at and for the year ended on 30 June 2018 are shown below, along with comparative data as at and for the year ended 30 June 2017.]

MAIN STATEMENT OF FINANCIAL POSITION ITEMS	**30/6/18**	**30/6/17**	**CHANGES 2018/2017 %**
	€m	**€m**	
Assets			
Loan and advances to credit institutions	2,774.9	1,290.1	115.1%
Loan and advances to customers	4,090.4	3,299.9	24.0%
Financial assets*	34.1	582.7	-94.1%
Total Assets	**7,014.3**	**5,191.7**	**35.1%**
Liabilities			
Debt securities in issue	3,625.7	1,317.4	177.3%
Amounts due to credit institutions	2,180.3	2,248.9	-3.1%
Amounts due to customers	792.7	962.5	-17.6%
Trading liabilities	19.1	319.2	-94.0%
Net equity**	328.6	307.8	6.8%
of which: share capital	10.0	10.0	0.0%
Profit/Loss of the period	12.4	20.8	-40.4%
Total liabilities	**7,014.3**	**5,191.7**	**35.1%**

* Includes financial assets held for trading, financial assets held to maturity and hedging derivatives.

** Includes reserves and share capital.

Element	Description of Element	Disclosure requirement

MAIN STATEMENT OF COMPREHENSIVE INCOME ITEMS	30/6/18	30/6/17	CHANGES 2018/2017 %
	€m	€m	
Net interest income	23.3	38.6	-39.6%
Net fee and commission income	5.2	1.0	420.0%
Total income	25.8	36.2	-28.7%
Net profit from banking activities	25.7	37.0	-30.5%
Administrative expenses	-9.1	-8.5	7.1%
Profit of the ordinary activity before tax	**16.8**	**28.5**	**-41.1%**
Profit for the year	**12.4**	**20.8**	**-40.4%**

CASH FLOW FROM OPERATING ACTIVITIES	Year ended 30 June	
	2018	2017
	(Euro thousands)	
Operating activities	159,546	81,740
Cash generated/(absorbed) by financial assets	-2,675,616	580,864
Cash (generated)/absorbed by financial liabilities	2,477,840	-663,951
Net cash flow (outflow) from operating activities	-38,230	-1,347
CASH FLOW FROM INVESTMENT ACTIVITIES		
Net cash flow (outflow) from investment activities	50,000	-
FUNDING ACTIVITIES		
Net cash flow (outflow) from funding activities	-	-
NET CASH FLOW (OUTFLOW) DURING YEAR/PERIOD	**11,770**	**-1,347**

Element	Description of Element	Disclosure requirement
		Selected interim financial information. The following tables show certain selected unaudited financial information of Mediobanca International as at 31 December 2018 and 31 December 2017, plus a series of key financial indicators.

MAIN BALANCE SHEET ITEMS	31/12/18	31/12/17	CHANGES December 2018/2017 %
	€m	€m	
Assets			
Due from banks	2,642.4	1,991.4	651.0
Due from Clients	3,943.1	3,475.4	467.7
Financial Assets*	59.0	64.2	-5.2
Total Assets	**6,659.5**	**5,597.4**	**1,062.1**
Liabilities			
Debt securities in issue	3,820.2	2,377.4	1,442.8
Financial liabilities**	52.8	48.3	4.5
Due to banks	2,350.7	2,037.7	313.0
Due to customers	90.0	783.0	-693.0
Net equity	338.2	328.6	9.6
of which: share capital	10.0	10.0	-
Profit/Loss of the period	1.4	7.2	-5.8
Total liabilities	**6,659.5**	**5,597.4**	**1,062.1**

* Includes financial assets held for trading, financial assets held to maturity and the hedge derivatives.

** Includes amounts due to banks, trading liabilities and the hedge derivatives.

MAIN CONSOLIDATED PROFIT AND LOSS ACCOUNT ITEMS	31/12/18	31/12/17	CHANGES December 2018/2017 %
	€m	€m	
Net interest income	9.0	12.8	-3.8
Net fee and commission income	-0.2	2.3	-2.5
Total income	8.7	13.5	-4.8

Element	Description of Element	Disclosure requirement

Net profit from financial and insurance operations	5.7	13.7	-8.0
Operating costs	-3.9	-4.0	0.1
Profit before Tax	**1.8**	**9.8**	**-8.0**
Net Profit	**1.4**	**7.2**	**-5.8**

CASH FLOW FROM OPERATING ACTIVITIES	**Period ended 31 December**	
	2018	**2017**
	(€ thousands)	
Operating activities	-38,223	35,892
Cash generated/(absorbed) by financial assets	-1,027,349	-778,751
Cash (generated)/absorbed by financial liabilities	1,050,572	689,284
Net cash flow (outflow) from operating activities	-15,000	-53,575
CASH FLOW FROM INVESTMENT ACTIVITIES		
Net cash flow (outflow) from investment activities	—	60,000
FUNDING ACTIVITIES		
Net cash flow (outflow) from funding activities	15,000	—
NET CASH FLOW (OUTFLOW) DURING YEAR/PERIOD	—	**6,425**

Mediobanca

Material adverse change

Element	Description of Element	Disclosure requirement
		Since 30 June 2018 with respect to Mediobanca there have been no material adverse changes to the prospects of either Mediobanca or the Group headed up by it.
		Significant changes There have been no significant changes to the financial or trading position of Mediobanca or the other companies forming part of the Group since the most recent financial information available, which was disclosed in the unaudited consolidated interim financial statements for the six month ended 31 December 2018.
		[Mediobanca International ***Material adverse change*** Since 30 June 2018 with respect to Mediobanca International there have been no material adverse changes to the prospects of Mediobanca International.
		Significant changes
		There have been no significant changes to the financial or trading position of Mediobanca International since the most recent financial information available, which was disclosed in the unaudited non-consolidated interim financial statements for the six month ended 31 December 2018.]
B.13	**Recent events**	**[Mediobanca** Neither Mediobanca nor any company in the Group have carried out transactions that have materially affected or that might be reasonably expected to materially affect, the Mediobanca Group or Mediobanca's ability to meet its obligations.]
		[Mediobanca International [Mediobanca International has not carried out transactions that have materially affected or that might be reasonably expected to materially affect, Mediobanca International's ability to meet its obligations.]
B.14	**Issuer dependent upon other entities within the group**	**[Mediobanca** Not applicable. Mediobanca is the parent company of the Mediobanca Group and is not dependent upon other entities within the Mediobanca Group. See also item B.5 above.]
		[Mediobanca International Mediobanca International is part of the Mediobanca Group and is a wholly owned subsidiary of the Mediobanca Group, operating autonomously within the Group and subject to coordination and support of Mediobanca.
		See also item B.5 above.]
B.15	**Principal activities**	**[Mediobanca** As stated in Article 3 of its Articles of Association, Mediobanca's purpose is to raise funds and provide credit in any of the forms permitted especially medium- and long-term credit to corporates.

Element	Description of Element	Disclosure requirement
		Within the limits laid down by current regulations, Mediobanca may execute all banking, financial and intermediation-related operations and services, and carry out any transaction deemed to be instrumental to or otherwise connected with the achievement of Mediobanca's purpose.]
		[Mediobanca International Mediobanca International may carry out, either within or outside the Grand Duchy of Luxembourg, any banking or financial operations authorised by the law relating to the financial sector.
		Mediobanca International's principal activity consists of raising funds on international markets, by issues of bonds chiefly under a short and medium term notes programme guaranteed by Mediobanca. Mediobanca International is also engaged in corporate lending operations.]
B.16	**Control of Issuer**	**[Mediobanca** Not applicable. No individual or entity controls Mediobanca within the meaning of Article 93 of the Italian Legislative Decree 58/98.] **[Mediobanca International** Mediobanca International is 99% owned by Mediobanca.]
B.18	**Guarantee**	Under the Deed of Guarantee, and in accordance with its terms and subject to the limitations thereof, Mediobanca (the "**Guarantor**") unconditionally and irrevocably guarantees payment of all amounts due and the performance of any non-cash delivery obligations in respect of Securities issued by Mediobanca International. The payment obligations of the Guarantor under the Deed of Guarantee constitute direct, unconditional, unsubordinated and unsecured obligations of the Guarantor which will rank at all times at least pari passu without any preference among themselves and equally with all other present and future unsecured and unsubordinated obligations of the Guarantor (save for certain mandatory exceptions of applicable law and subject to the application of the bail-in legislation applicable to the Guarantor). In particular, pursuant to the Deed of Guarantee, to the extent under the applicable law, a cap to the maximum amount to be guaranteed is required, the Guarantor shall only be liable up to an amount which is the aggregate of 110 per cent. of the aggregate notional amount of any Tranche of the Securities (in each case as specified in the applicable Final Terms) and 110 per cent. of the remuneration on such Securities due but not paid as at any date on which the Guarantor's liability falls to be determined. In addition, pursuant to the Deed of Guarantee, the Guarantor has also undertaken to issue an additional guarantee in an amount equal to any liability exceeding the maximum amount mentioned above in relation to any Tranche.
B.19	**Information on the Guarantor**	[Not applicable.] [Information with respect to Mediobanca is included in this Section B above.]

Section C – Securities

Element	Description of Element	Disclosure requirement

C.1	**Type, class and security identification number of securities being offered**	The Securities are Certificates. [The ISIN is: [●]]. [The Common Code is: [●].] [The CFI is: [●].] [The FISN is: [●].] [The Series Number of the Securities is [●]. [The Tranche number is [●]] [The Securities will be consolidated and form a single series with [*identify earlier Tranches*] on [the Issue Date].] The Securities are governed by [English]/[Italian] law. The Securities are [cash settled Securities/physically settled Securities]. The issue price per the Security is [●] (the "**Issue Price**").
C.2	**Currency**	[Subject to compliance with all relevant laws, regulations and directives, the Securities are issued in [ ].] [The Certificates are Dual Currency Certificates and provide for a Settlement Currency that is different from the currency in which the Issue Price was denominated ("**Issue Currency**"). The Settlement Currency is [•]. The Issue Currency is [•].] [*In case of Settlement Currency Barrier Selection: insert:* The Settlement Currency in respect of [the Cash Settlement Amount] [and/or] [the relevant payment of Remuneration Amount] will be determined by reference to whether or not the settlement currency barrier condition is satisfied at the relevant time. if the settlement currency barrier condition is satisfied at the relevant time the settlement currency for the relevant payment will be the First Settlement Currency. if the settlement currency barrier condition is not satisfied at the relevant time the Settlement Currency for the relevant payment will be the Second Settlement Currency First Settlement Currency: [*specify*] Second Settlement Currency: [*specify*]]]
C.5	**Restrictions on free transferability**	There are restrictions on sales of the Securities into, amongst other jurisdictions, the United States, the European Economic Area (including the United Kingdom and Italy) and Japan.

C.8	**Description of rights and ranking**	The Securities have terms and conditions relating to, among other matters: **Status** The Securities are issued by the relevant Issuer on an unsubordinated basis. The Securities will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and will rank *pari passu* among themselves and (save for certain obligations required to be preferred by law and subject to the application of the bail-in legislation applicable to the Issuer) equally with all other unsecured obligations other than unsubordinated obligations, if any, of the Issuer from time to time outstanding. **Payments in respect of Securities in global form** All payments in respect of Securities represented by a Global Security will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Securities, surrender of that Global Security to or to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Securityholders for such purpose. A record of each payment so made will be endorsed on each Global Security, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Securities. **Payments in respect of Securities in definitive form** All payments in respect of the Securities in definitive form shall be made against presentation and surrender of the relevant Securities at the specified office of any Paying Agent outside the United States by a cheque payable in the currency in which such payment is due drawn on, or, at the option of the holder, by transfer to an account denominated in that currency with a bank in the principal financial centre of that currency; provided that in the case of Euro, the transfer may be to a Euro account. **Payments in respect of Securities in dematerialised form** All payments in respect of Securities in dematerialised form shall be made through an electronic book-entry system managed by Monte Titoli S.p.A. or any other centralised custodian appointed by the relevant Issuer. **Illegality and force majeure** If the Issuer determines that the performance of its obligations under the Securities or that any arrangements made to hedge the Issuer's obligations under the Securities have become (i) illegal in whole or in part for any reason, or (ii) by reason of a *force majeure* event (such as an act of God, fire, flood, severe weather conditions, or a labour dispute or shortage) or an act of state, impossible or impracticable the relevant Issuer may settle the Securities by giving notice to Securityholders. **Further issues and consolidation** The Issuer may from time to time without the consent of the Securityholders create and issue further Securities so as to be consolidated with and form a single series with the outstanding Securities. **Substitution** Subject to the fulfilment of certain conditions, [Mediobanca may at any time (subject to certain conditions as provided in the Terms and Conditions) without the consent of the Securityholders, substitute [itself, or any other third party entity as Issuer in place of Mediobanca International] [Mediobanca International, or any other third party entity as Issuer in place of Mediobanca].

C.11	**Trading of securities**	[Application [has been]/[is expected to be] made by the Issuer (or on its behalf) for the Securities to be admitted to trading on [Euronext Dublin]/[the Luxembourg Stock Exchange]/[on the multilateral trading facility of [EuroTLX]/[SeDeX]/[*include other trading venues*] which is [not] a regulated market for the purpose of Directive 2014/65/EU]/[●] [with effect from [●]]]. [[Borsa Italiana][*other stock exchanges*] has admitted the Securities to trading on [SeDeX]/[*other*] with order n. [ ] dated [ ]. The start date of official trading of the Securities on the [SeDeX]/[*other*] (the "**Trading Start Date**") will be set by [Borsa Italiana]/[*other stock exchanges*] in accordance with its rules. The Trading Start Date shall correspond to the Issue Date]. [The Issuer reserves the right to make [further] application[s] for the Securities to be admitted to listing and/or trading on [additional] markets/trading venues.] [The Securities are not intended to be admitted to trading on any market/trading venue.]
C.15	**How the value of the investment is affected by the value of the underlying instrument(s)**	**General** [(*Insert in case of Capital Protection Securities*) [The Securities are fixed term products which have a return linked to the performance of the Underlying Reference(s). Capital is [totally]/ [partially] protected.] (*Insert in case of Yield Enhancement Securities*) [The Securities are fixed term products which have a fixed return if certain conditions (including [a cap] [,] [knock-out features] [and] [automatic early settlement features]) relating to the Underlying Reference(s) is met. There is [total]/[partial]/[no capital] protection.] (*Insert in case of Participation Securities*) [The Securities are [fixed term] [open ended] products which have a return linked to the performance of the Underlying Reference(s). The calculation of the return may be based on various mechanisms (including a [knock-in]/[knock-out] feature). There is [total]/[partial]/[no capital] protection.] (*Insert in case of Leverage Securities*) [The Securities are [fixed term][open ended] products which have a return linked to the [linear]/[non-linear] performance of the Underlying Reference(s). The calculation of the return is based on various mechanisms (including [knock-in] [and] [knock-out] features). There is [total]/[partial]/[no capital] protection.] (*Insert in case of Constant Leverage Securities*) [The Securities are [fixed term][open ended] products which have a return calculated by reference to a fixed daily leverage on the positive or negative performance of the Underlying Reference(s). There is [total]/[partial]/[no capital] protection.] (*Insert in case of Multiple Final Payout – Constant Percentage Securities*) [The Securities are fixed term products which have a return equal to a fixed percentage. There is [total]/[partial]/[no capital] protection.] (*Insert in case of Multiple Final Payout – Normal Performance Securities*) [The Securities are fixed term products which have a return linked to a participation factor augmented of the performance of the Underlying Reference(s), subject to [a gearing] [and a Cap] [and a Floor]. There is [total]/[partial]/[no capital] protection.] (*Insert in case of Multiple Final Payout - Performance Differential Securities*) [The Securities are fixed term products which have a return linked to the differential in performance between two Underlying References. [Such differential is subject to a participation factor]. There is [total]/[partial]/[no capital] protection.] (*Insert in case of Multiple Final Payout – Reverse Convertible Securities*)

		[The Securities are fixed term products which have a return linked to both the performance of the Underlying Reference(s) and a [knock-in level][Knock-out level]. There is [total]/[partial]/[no capital] protection.] (*Insert in case of Multiple Final Payout - Vanilla Securities*) [The Securities are fixed term products which have a return linked to the performance of the Underlying Reference(s). The return calculation can be based on various mechanisms [(including a [knock-in]/[knock-out] feature)]. There is [total]/[partial]/[no capital] protection.] (*Insert in case of Multiple Final Payout - Asian Securities*) [The Securities are fixed term products which have a return linked to the performance of the Underlying Reference(s) determined through an averaging method. [The return calculation is based on various mechanisms (including [a cap] [lock-in features]).] There is [total]/[partial]/[no capital] protection.] (*Insert in case of Multiple Final Payout - Step Securities*) [The Securities are fixed term products. The return is linked to the performance of the Underlying Reference(s). The return is calculated by reference to various mechanisms [(including [knock-in][and][knock-out] features)]. There is [total]/[partial]/[no capital] protection.] (*Insert in case of Multiple Final Payout - Performance Securities*) [The Securities are fixed term products which have a return linked to the performance of the Underlying Reference(s). The return is calculated by reference to various mechanisms [(including a [knock-in]/[knock-out] feature)]. There is [total]/[partial]/[no capital] protection.] (*Insert in case of Multiple Final Payout – Capped and Floored Ratchet Securities*) [The Securities are fixed term products which have a return linked to the performance of the Underlying Reference(s). The return is equal to the sum of returns determined on a given formula (which is [capped]/[floored]). There is [total]/[partial]/[no capital] protection.] (*Insert in case of Multiple Final Payout – Weighted Mixed Payouts Securities*) [The Securities are fixed term products which have a return linked to the performance of the Underlying Reference(s). The return calculation is the weighted sum of returns determined using different payout formulas. There is [total]/[partial]/[no capital] protection.] (*Insert in case of Multiple Final Payout – Knock-In Mixed Payouts Securities*) [The Securities are fixed term products which have a return linked to the performance of the Underlying Reference(s). The return calculation can be based on various payouts and various mechanisms [(including a [knock-in] feature)]. There is [total]/[partial]/[no capital] protection.] [*Insert in case of Multiple Final Payout – Knock-out Mixed Payouts Securities*) [The Securities are fixed term products which have a return linked to the performance of the Underlying Reference(s). The return calculation can be based on various payouts and various mechanisms [(including a [knock-out] feature)]. There is [total]/[partial]/[no capital] protection.] (*Insert in case of Multiple Final Payout – Max Mixed Payouts Securities*) [The Securities are fixed term products which have a return linked to the performance of the Underlying Reference(s). [The return is the maximum return calculation of different payout formulas.] There is [total]/[partial]/[no capital] protection.] (*Insert in case of Multiple Final Payout – Leveraged Securities*) [The Securities are [fixed term] [open ended] products which have a return calculated by reference to a leverage on the positive or negative performance of the Underlying Reference(s). [There is [total]/[partial]/[no capital] protection.]] (*Insert in case of Single FI FX Vanilla Securities*) [The Securities are fixed term products which have a return linked to the performance of the Underlying Reference(s). The return is calculated by reference to various mechanisms [(including a [knock-in]/[knock-out] feature)]. There is [total]/[partial]/[no capital] protection.] (*Insert in case of Single FI Digital Securities*)

		[The Securities are fixed term products which have a [fixed][variable] return depending on the performance of the Underlying Reference(s). The return is calculated by reference to various mechanisms [(including [[floor]/[cap] conditions] [[and][knock-in] [and][knock-out] features]).] [There is [total]/[partial]/[no capital] protection.] (*Insert in case of Single FI Inflation Securities*) [The Securities are fixed term products which have a return linked to the performance of the Underlying Reference(s).] [There is [total]/[partial]/[no capital] protection.] (*Insert in case of Credit Securities)* [The Securities are fixed term products which have a return linked to the credit of the Reference Entit[y][ies] ("**Credit Securities**"). [There is [partial]/[no capital] protection.]
C.16	**Expiration or maturity date – exercise date**	**[Exercise Date** [The Exercise Date of the Securities is [●].] *(Insert if Averaging does not apply to the Securities*) **[Settlement Valuation Date** The Settlement Valuation Date of the Securities is [●], subject to certain adjustment provisions.] ***(****Insert if Averaging applies to the Securities*) **[Averaging Date(s)** The Averaging Dates of the Securities are [●], subject to certain adjustment provisions.] (*Insert for Securities other than Credit Securities*) **[Settlement Date** The Settlement Date of the Securities is [●].] *(Insert if Automatic Early Settlement applies to the Securities*) **[*Automatic Early Settlement*** If [on any Automatic Early Settlement Valuation Date] [in respect of an Automatic Early Settlement Valuation Period] an Automatic Early Settlement Event occurs, the Securities will be settled early at the [Automatic Early Settlement Amount] [Early Settlement Entitlement] [, less any Expenses not already paid] on the Automatic Early Settlement Date. ["**Automatic Early Settlement Event**" means [*insert if Target Automatic Early Settlement Payout is applicable:* the Cumulative Remuneration is equal to or greater than [*insert the Automatic Early Settlement Percentage*]]/[*insert if FI Underlying Automatic Early Settlement Payout is applicable:* the [*insert for all Underlying References other than an Alternative Currency:* Underlying Reference Level][*insert if the Underlying Reference is an Alternative Currency:* FX Coupon Performance] is (i) equal to or greater than [*insert Automatic Early Settlement Level 1*] and (ii) less than or equal to [*insert Automatic Early Settlement Level 2*]]/[*insert if FI Coupon Automatic Early Settlement Payout is applicable:* the product of (i) the Remuneration Rate and (ii) the Day Count Fraction, in each case in respect of the Current Remuneration Period is equal to or greater than [*insert Automatic Early Settlement Percentage*]]/[*insert if Standard Automatic Early Settlement and MFP AES Valuation are applicable:* MFP AES Value 1 in respect of [*specify AES Event 1 Underlying(s)*] (the "**AES Event 1 Underlying(s)**") is [greater than]/[greater than or equal to]/[less than]/[less than or equal to] [*insert Automatic Early Settlement Level 1*] [within] [*insert AES Range Level*] [outside] [*insert the AES Range Level 1*] [*insert if Automatic Early Settlement Event 2 is specified:* and/or MFP AES Value 2 in respect of [*specify AES Event 2 Underlying(s)*] (the "**AES Event 2 Underlying(s)**") is [greater than]/[greater than or equal to]/[less than]/[less than or equal to] [*insert Automatic Early Settlement Level 2*] [within] [*insert AES Range Level*] [outside] [*insert the AES Range Level 2*]]/[*insert if Standard Automatic Early Settlement is applicable and MFP AES Valuation is not applicable:* [*insert if AES Event 1 Basket is not applicable:* the Underlying Reference Level 1][*insert if AES Event 1 Basket is applicable:* the Basket Price 1] is [greater than]/[greater than or equal to]/[less than]/[less than or equal to] [*insert Automatic Early Settlement Level 1*] [within] [*insert AES Range Level*] [outside] [*insert the AES Range Level 1*] [*insert if Automatic Early Settlement Event 2 is specified:* and/or [*insert if AES Event 2 Basket is not applicable:* the Underlying Reference Level 2][*insert if AES Event 2 Basket is*

		applicable: the Basket Price 2] is [greater than]/[greater than or equal to]/[less than]/[less than or equal to] [*insert Automatic Early Settlement Level 2*] [within] [*insert AES Range Level*] [outside] [*insert the AES Range Level 2*]]/[an AES Knock-out occurs]/[that at the Observation Time(s) on an Automatic Early Settlement Valuation Date the Observation Price is [less than or equal to]/[equal to or greater than][the applicable Security Threshold]]/[*insert if Single Standard Automatic Early Settlement and MFP AES Valuation are applicable*: MFP AES Value is [greater than]/[greater than or equal to]/[less than]/[less than or equal to] [*insert Automatic Early Settlement Level*] [within] [*insert AES Range Level*] [outside] [*insert the AES Range Level*]]/[*insert if Single Standard Automatic Early Settlement is applicable and MFP AES Valuation is not applicable:* [*insert in the case of a Single Underlying Reference:* the Underlying Reference Level is][*insert in the case of a Basket of Underlying References:* the Basket Price is] [greater than]/[greater than or equal to]/[less than]/[less than or equal to] [*insert Automatic Early Settlement Level*] [within] [*insert AES Range Level*] [outside] [*insert the AES Range Level*] [*insert if Leveraged Automatic Early Settlement is applicable:* the Reference Level is [greater than]/[greater than or equal to]/[less than]/[less than or equal to] the Leveraged Barrier]]]] ["**Automatic Early Settlement Valuation Date**" means [●], subject to adjustment.] ["**Automatic Early Settlement Date**" means [●], subject to adjustment.] ["**AES Range Level**" means [●];] ["**AES Range Level 1**" means [●];] ["**AES Range Level 2**" means [●];] ["**Cumulative Remuneration**" means [●].] ["**Underlying Reference Level**" means [●].] ["**FX Coupon Performance**" means [●].] ["**Remuneration Rate**" means [●].] ["**Day Count Fraction**" means [●].] ["**Current Remuneration Period**" means [●].] ["**MFP AES Value 1**" means [●].] ["**MFP AES Value 2**" means [●].] ["**Underlying Reference Level 1**" means [●].] ["**Basket Price 1**" means [●].] ["**Underlying Reference Level 2**" means [●].] ["**Basket Price 2**" means [●].] ["**AES Knock-out**" means [●].] ["**Observation Time(s)**" means [●].] ["**Observation Price**" means [●].] ["**MFP AES Value**" means [●].] ["**Leveraged Barrier**" means [●].] ["**Basket Price**" means [●].] ["**Reference Level**" means [●].] ["**Underlying Reference Level**" means [●].] [***Insert if the Securities are "Instalment Certificates":*** The Certificates are Instalment Certificates and will be settled in the Instalment Amounts and on the Instalment Dates. The Certificates [are/are not] Instalment Certificates (with NA Adjustment). Instalment Date(s): [*specify*] Instalment Amount(s): [*specify*]]

		[***Insert if the Securities are "Open End Certificates" or "OET Certificates"]*** The Certificates are [Open End Certificates] [OET Certificates] and do not have any pre-determined maturity and may be settled on any date determined by the Issuer, subject to compliance with the provisions of the Conditions] [***Insert if "Call Option" is applicable:*** *[Insert if European Style is applicable:* *Call Option European Style* The Issuer may, on giving prior notice (Call Option Exercise Notice) which notice must be received by the Securityholders no later than the last day of the Call Option Exercise Notice Period [●], settle [all] [or] [some] of the Certificates on the Optional Settlement Date[s] (Call) and the Issuer shall pay the Optional Cash Settlement Amount (Call) [together with any remuneration calculated as if it was accrued to such date in respect of each Certificate].] *[Insert if American Style is applicable:* *Call Option American Style* By giving prior notice to the Securityholders – which notice must be received by the Securityholders no later than the end of the Call Option Exercise Notice Period [●] - the Issuer may at any time during the Call Option Exercise Notice Period [●], settle [all] [or] [some] of the Certificates and the Issuer shall pay the Optional Cash Settlement Amount (Call) [together with any remuneration calculated as if it was accrued to such date in respect of each Certificate].] *[Insert if Call Option Condition is applicable:* [Such option may be exercised by the Issuer only upon the occurrence of the following Call Option Condition[s]: [ ].] [Upon the occurrence of the Call Option Condition, by giving prior notice to the Securityholders, the Issuer may settle all (but not some)] of the Certificates and the Issuer shall pay the Optional Condition Cash Settlement Amount (Call) [together with any remuneration calculated as if it was accrued to such date in respect of each Certificate].]] [***Insert if "Put Option" is applicable:*** *[Insert if European Style is applicable:* *Put Option European Style* The Issuer shall, at the option of the Securityholder, settle such Certificate on the Optional Settlement Date[s] (Put) at its Optional Cash Settlement Amount (Put) [together with any remuneration calculated as if it was accrued to such date in respect of each Certificate].] *[Insert if American Style is applicable:* *Put Option American Style* The Issuer shall, at the option of the Securityholder, settle such Certificate on the Optional Settlement Date[s] (Put) at its Optional Cash Settlement Amount (Put) [together with any remuneration calculated as if it was accrued to such date in respect of each Certificate].] **[Optional Cash Settlement Amount (Call)/(Put)] / [Optional Condition Cash Settlement Amount (Call)]** The [Optional Cash Settlement Amount][(Call)/(Put)] due in respect of each Certificate pursuant to the exercise of the [Call Option] [Put Option] shall be: *(specify Optional Cash Settlement Amount (Call)/(Put)] / [Optional Condition Cash Settlement Amount (Call))* [NA × [●] per cent.] **[[Put Payout Forex DivReinvested Fees Securities 1** CV in respect of the relevant Optional Settlement Valuation Date. The Calculation Agent will calculate "**CV**" on each CV Calculation Day in accordance with the following

formula:

$$CV_{(t-1)} \times AF_{(t)} \times \frac{UR_{(t)} \times Fx_{(t)}}{UR_{(t-1)} \times Fx_{(t-1)}}$$

where:

["**ACT$_{(t,t-1)}$**" means, in respect of a CV Calculation Day, the number of calendar days between the ACT Day corresponding with such CV Calculation Day and the immediately preceding ACT Day;]

["**ACT Day**" means each CV Calculation Day;]

["**AF$_{(t)}$**" means, in respect of a CV Calculation Day:

$$[1 + \text{Reference Rate}_{(t-1)} - \text{Management Fee Rate}] \frac{\text{ACT}(t,t-1)}{360} \times \text{div reinvested factor}_{(t)} \times \text{Rollover Ratio}_{(t)} \quad]$$

["**CV$_{(0)}$**" means [•];]

["**CV$_{(t-1)}$**" means, in respect of a CV Calculation Day, CV in respect of the immediately preceding CV Calculation Day or if none, CV$_{(0)}$;]

["**CV Calculation Day**" means [•];]

["**Div Percentage**" means [•];]

["**div reinvested factor$_{(t)}$**" means:

$$[\left[1 + Div\ Percentage \times \frac{Gross\ div_{(t)}}{UR_{(t-1)}}\right] \ ] / \ [1]; \quad]$$

["**Fx$_{(0)}$**" means Exchange Rate Initial;]

["**Fx$_{(t)}$**" means, in respect of a CV Calculation Day, the Exchange Rate on such CV Calculation Day;]

["**Fx$_{(t-1)}$**" means, in respect of a CV Calculation Day, the Exchange Rate on the immediately preceding CV Calculation Day or if none, Exchange Rate Initial;]

["**Futures Rollover Adjustment Ratio**" means, in respect of a CV Calculation Day, a positive amount calculated by the Calculation Agent equal to the cost to the Issuer and/or its Affiliates of unwinding its hedging arrangements in relation to the preceding Current Exchange-traded Contract divided by (the cost to the Issuer and/or its Affiliates of establishing hedging arrangements in relation to the Current Exchange-traded Contract, in each case in respect of the relevant Futures Rollover Date, such amount to be allocated *pro rata* among the Securities of the series;]

["**Gross div$_{(t)}$**" means [any ordinary cash dividends (before deduction of any taxes or application of withholding at source by or on behalf of any applicable authority having the power to tax in respect of such dividends and without any tax credit refund or deduction granted by any applicable authority having the power to tax in respect of such dividends) ex-dividend at date *t* and effectively paid] [any ordinary cash dividends (before deduction of any taxes or application of withholding at source by or on behalf of any applicable authority having the power to tax in respect of such dividends and without any tax credit refund or deduction granted by any applicable authority having the power to tax in respect of such dividends) ex-dividend at date t on any constituent share in the Index at date *t*, taking into account the weight of such constituent share at date *t-1* and effectively paid].]

["**Management Fee Rate**" means [•];]

["**Reference Rate$_{(t-1)}$**" means, in respect of a CV Calculation Day, [the interest rate [•] applicable to the CV Calculation Day immediately preceding such CV Calculation Day] [0];]

["**Rollover Ratio$_{(0)}$**" equals 1;]

["**Rollover Ratio$_{(t)}$**" means, in respect of a CV Calculation Day [the Futures Rollover Adjustment Ratio] [1];]

["**UR$_{(0)}$**" means the Settlement Price of the Underlying Reference on the Strike Date;]

["**UR$_{(t)}$**" means, in respect of a CV Calculation Day, the Settlement Price on such CV Calculation Day;]

["**UR$_{(t-1)}$**" means, in respect of a CV Calculation Day, the Settlement Price on the CV Calculation Day immediately preceding such CV Calculation Day;]

["**Optional Settlement Valuation Date**" means [•] [if the Settlement Price is not available in respect of a CV Calculation Day (other than as a result of a Non-Commencement or Discontinuance of an Exchange-

		traded Contract), the Calculation Agent will determine the Settlement Price for such CV Calculation Day acting in good faith and in a commercially reasonable manner by reference to such source(s) as it considers appropriate.] **[[Put Payout Capitalised Call and Put Securities** [Max $\left(0; \left(\frac{\text{Final Price} - \text{Capitalised Exercise Price}}{\text{Parity} \times \text{Conversion Rate Early}}\right)\right)$] [Max $\left(0; \left(\frac{\text{Capitalised Exercise Price} - \text{Final Price}}{\text{Parity} \times \text{Conversion Rate Early}}\right)\right)$]] [For the definitions of the terms used in the formula above, please refer to paragraph "Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Payout Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities" in Element C.18 below.] **[Put Payout Leverage Factor Securities** The Put Payout shall be calculated on the same basis as Single Final Payout - Leverage Factor Securities described in Element C.18 below, save that references to "Valuation Date" therein and in the related provisions shall be deemed to be references to "the relevant Optional Settlement Valuation Date"] ["**Optional Settlement Valuation Date(s)**" means [•];] **[MFP Put Payout** NA × (MFP Put Settlement Percentage+ MFP Put Exit Rate) [provided that the MFP Put Payout will be subject to [a cap of the Maximum MFP Put Payout] [and][or] [a floor of the Minimum MFP Put Payout].] ["**Maximum MFP Put Payout**" means [•];] ["**MFP Put Up Rate**" means: [Min (Max (MFP Put Floor Percentage, MFP Put Gearing × (MFP Put Value - MFP Put Strike Percentage) + MFP Put Spread Percentage), MFP Put Cap Percentage) + MFP Put Constant Percentage] [Min (MFP Put Gearing × (MFP Put Value - MFP Put Strike Percentage) + MFP Put Spread Percentage, MFP Put Cap Percentage) + MFP Put Constant Percentage] [Max (MFP Put Floor Percentage, MFP Put Gearing × (MFP Put Value - MFP Put Strike Percentage) + MFP Put Spread Percentage) + MFP Put Constant Percentage] [MFP Put Gearing × (MFP Put Value - MFP Put Strike Percentage) + MFP Put Constant Percentage]] ["**MFP Put Calculation Period**" means the period from (and including) [the Remuneration Payment Date, immediately preceding the relevant Optional Settlement Date (Put)] [the Issue Date] to (but excluding) the relevant Optional Settlement Date (Put);] ["**MFP Put Cap Percentage**" means [•];] ["**MFP Put Constant Percentage**" means [•];] ["**MFP Put CSN Rate**" means a percentage calculated as the product of the MFP Put Rate and the Day Count Fraction];] ["**MFP Put Exit Rate**" means [•];] ["**MFP Put Floor Percentage**" means [•];] ["**MFP Put Gearing**" means [•];] ["**MFP Put Rate**" means [•];] ["**MFP Put Settlement Percentage**" means [•];] ["**MFP Put Reference Rate**" means [•];]

		["**MFP Put Spread Percentage**" means [•];] ["**MFP Put Strike Percentage**" means [•];] ["**MFP Put Value**" means [•];] ["**MFP Put Valuation Date**" means [•];] ["**MFP Put Valuation Period**" means [•];] ["**Minimum MFP Put Payout**" means [•];]] [**Leveraged Certificates Put Payout** Notional Amount × Reference Level - Fixed Percentage] [provided that in no circumstances the Leveraged Certificates Put Payout shall exceed the proceeds received by the Issuer from the unwinding of its exposure to the Underlying Reference]. where "**Reference Level**" means: Reference $Level_0$ × (1 + Participation Factor × (Fund $Level_t$ - Fund $Level_0$) / Fund $Level_0$ - (Participation Factor-1) × $Fees_t$) ["**Reference $Level_0$**" means [•];] ["**Fixed Percentage**" means [•];] ["**Fund $Level_0$**" means the Settlement Price of the relevant Underlying Reference(s) as of the Fixing Date.] ["**Fund $Level_t$**" means the Settlement Price of the relevant Underlying Reference(s) as of the Optional Settlement Valuation Date.] ["**Optional Settlement Valuation Date**" means [•];] ["**Fixing Date**" means the Calculation Date immediately preceding the First Calculation Date.] ["**Calculation Date**" means each day which is a Fund Business Day.] ["**First Calculation Date**" means [•];] ["**$Fees_t$**" means the cumulative leverage fee, expressed as a percentage and calculated by the Calculation Agent as the aggregate sum of the Fees Accrued during each Fees Accrual Period.] ["**Fees Accrued**" means, in respect of a Fee Accrual Period, the fees accrued during such period, expressed as a percentage and calculated by the Calculation Agent as follows: (Fee ISDA Rate + Fee Margin) × Day Count Fraction] ["**Fee ISDA Rate**" means [•];] ["**Fee Margin**" is [•];] ["**Fee Accrual Period(s)**" means the periods commencing on (and including) the Fee Accrual Commencing Date up to (but excluding) the first Fee Accrual Date and each subsequent period commencing on (and including) a Fee Accrual Date up to (but excluding) the next following Fee Accrual Date, provided that the last Fee Accrual Period shall be deemed to end (but exclude) on [•] Calculation Dates following the day on which the Issuer has received the Put Option Exercise Notice;] ["**Fee Accrual Commencing Date**" is [•];] ["**Fee Accrual Date(s)**" is [•];] ["**Participation Factor**" is [•];] ["**Day Count Fraction**" is [•];]] **[[Call Payout Forex DivReinvested Fees Securities 1**

		CV in respect of the relevant [Optional Settlement Valuation Date] [Optional Condition Settlement Valuation Date (Call)]. The Calculation Agent will calculate "**CV**" on each CV Calculation Day in accordance with the following formula: $CV_{(t-1)} \times AF_{(t)} \times \frac{UR_{(t)} \times Fx_{(t)}}{UR_{(t-1)} \times Fx_{(t-1)}}$ where: ["**ACT$_{(t,t-1)}$**" means, in respect of a CV Calculation Day, the number of calendar days between the ACT Day corresponding with such CV Calculation Day and the immediately preceding ACT Day;] ["**ACT Day**" means each CV Calculation Day;] ["**AF$_{(t)}$**" means, in respect of a CV Calculation Day: $[1 + \text{Reference Rate}_{(t-1)} - \text{Management Fee Rate}] \frac{\text{ACT}(t,t-1)}{360} \times \text{div reinvested factor}_{(t)} \times \text{Rollover Ratio}_{(t)}$] ["**CV$_{(0)}$**" means [•];] ["**CV$_{(t-1)}$**" means, in respect of a CV Calculation Day, CV in respect of the immediately preceding CV Calculation Day or if none, CV$_{(0)}$;] ["**CV Calculation Day**" means [•];] ["**Div Percentage**" means [•];] ["**div reinvested factor$_{(t)}$**" means: $[\left[1 + Div\ Percentage \times \frac{Gross\ div_{(t)}}{UR_{(t-1)}}\right]$] / [1];] ["**Fx$_{(0)}$**" means Exchange Rate Initial;] ["**Fx$_{(t)}$**" means, in respect of a CV Calculation Day, the Exchange Rate on such CV Calculation Day;] ["**Fx$_{(t-1)}$**" means, in respect of a CV Calculation Day, the Exchange Rate on the immediately preceding CV Calculation Day or if none, Exchange Rate Initial;] ["**Futures Rollover Adjustment Ratio**" means, in respect of a CV Calculation Day, a positive amount calculated by the Calculation Agent equal to the cost to the Issuer and/or its Affiliates of unwinding its hedging arrangements in relation to the preceding Current Exchange-traded Contract divided by (the cost to the Issuer and/or its Affiliates of establishing hedging arrangements in relation to the Current Exchange-traded Contract, in each case in respect of the relevant Futures Rollover Date, such amount to be allocated *pro rata* among the Securities of the series;] ["**Gross div$_{(t)}$**" means [any ordinary cash dividends (before deduction of any taxes or application of withholding at source by or on behalf of any applicable authority having the power to tax in respect of such dividends and without any tax credit refund or deduction granted by any applicable authority having the power to tax in respect of such dividends) ex-dividend at date *t* and effectively paid] [any ordinary cash dividends (before deduction of any taxes or application of withholding at source by or on behalf of any applicable authority having the power to tax in respect of such dividends and without any tax credit refund or deduction granted by any applicable authority having the power to tax in respect of such dividends) ex-dividend at date t on any constituent share in the Index at date *t*, taking into account the weight of such constituent share at date *t-1* and effectively paid].] ["**Management Fee Rate**" means [•];] ["**Reference Rate$_{(t-1)}$**" means, in respect of a CV Calculation Day, [the interest rate [•] applicable to the CV Calculation Day immediately preceding such CV Calculation Day] [0];] ["**Rollover Ratio$_{(0)}$**" equals 1;] ["**Rollover Ratio$_{(t)}$**" means, in respect of a CV Calculation Day [the Futures Rollover Adjustment Ratio] [1];] ["**UR$_{(0)}$**" means the Settlement Price of the Underlying Reference on the Strike Date;]

["**$UR_{(t)}$**" means, in respect of a CV Calculation Day, the Settlement Price on such CV Calculation Day;]

["**$UR_{(t-1)}$**" means, in respect of a CV Calculation Day, the Settlement Price on the CV Calculation Day immediately preceding such CV Calculation Day;]

[**"Optional Condition Settlement Valuation Date (Call)**" means [•];[if the Settlement Price is not available in respect of a CV Calculation Day (other than as a result of a Non-Commencement or Discontinuance of an Exchange-traded Contract), the Calculation Agent will determine the Settlement Price for such CV Calculation Day acting in good faith and in a commercially reasonable manner by reference to such source(s) as it considers appropriate.]

["**Optional Settlement Valuation Date**" means [•] [if the Settlement Price is not available in respect of a CV Calculation Day (other than as a result of a Non-Commencement or Discontinuance of an Exchange-traded Contract), the Calculation Agent will determine the Settlement Price for such CV Calculation Day acting in good faith and in a commercially reasonable manner by reference to such source(s) as it considers appropriate.]]

[Call Payout Capitalised Call and Put Securities

$$[\text{Max}\left(0; \left(\frac{\text{Final Price} - \text{Capitalised Exercise Price}}{\text{Parity} \times \text{Conversion Rate Early}}\right)\right)]$$

$$[\text{Max}\left(0; \left(\frac{\text{Capitalised Exercise Price} - \text{Final Price}}{\text{Parity} \times \text{Conversion Rate Early}}\right)\right)]]$$

[For the definitions of the terms used in the formula above, please refer to paragraph "Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Payout Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities" in Element C.18 below.]]

[Call Payout Leverage Factor Securities

The Call Payout shall be calculated on the same basis as Single Final Payout - Leverage Factor Securities described in Element C.18 below, save that references to "Valuation Date" therein and in the related provisions shall be deemed to be references to ["the relevant Optional Settlement Valuation Date"] ["the Optional Condition Settlement Valuation Date (Call) "].]

[**"Optional Settlement Valuation Date(s)**" means [•];]

[**"Optional Condition Settlement Valuation Date(s) (Call)**" means [•];]]

[MFP Call Payout

[NA × (MFP Call Settlement Percentage + MFP Call Exit Rate),]

[The MFP Call Payout will be subject to [a cap of the Maximum MFP Call Payout] [and][or] [a floor of the Minimum MFP Call Payout]]

where:

["**Maximum MFP Call Payout**" means [•];]

["**MFP Call Up Rate**" means:

[Min (Max (MFP Call Floor Percentage, MFP Call Gearing × (MFP Call Value - MFP Call Strike Percentage) + MFP Call Spread Percentage), MFP Call Cap Percentage) + MFP Call Constant Percentage;]

[Min (MFP Call Gearing × (MFP Call Value - MFP Call Strike Percentage) + MFP Call Spread Percentage, MFP Call Cap Percentage) + MFP Call Constant Percentage]

[Max (MFP Call Floor Percentage, MFP Call Gearing × (MFP Call Value - MFP Call Strike Percentage) + MFP Call Spread Percentage) + MFP Call Constant Percentage]

[MFP Call Gearing × (MFP Call Value - MFP Call Strike Percentage) + MFP Call Constant Percentage]]

		["**MFP Call Calculation Period**" means the period from (and including) the Remuneration Payment Date, immediately preceding the [Optional Settlement Date (Call)] [Optional Condition Settlement Date (Call)] [the Issue Date] to (but excluding) the [Optional Settlement Date (Call)] [Optional Condition Settlement Date (Call)];] ["**MFP Call CSN Rate**" means a percentage calculated as the product of the MFP Call Rate and the applicable Day Count Fraction;] ["**MFP Call Cap Percentage**" means [•];] ["**MFP Call Constant Percentage**" means [•];] ["**MFP Call Exit Rate**" means [•];] ["**MFP Call Floor Percentage**" means [•];] ["**MFP Call Gearing**" means [•];] ["**MFP Call Rate**" means [•];] ["**MFP Call Settlement Percentage**" means [•];] ["**MFP Call Reference Rate**" means [•];] ["**MFP Call Spread Percentage**" means [•];] ["**MFP Call Strike Percentage**" means [•];] ["**MFP Call Value**" means [•];] ["**MFP Call Valuation Date**" means [•];] ["**MFP Call Valuation Period**" means [•];] ["**Minimum MFP Call Payout**" means [•];]] **[Leveraged Certificates Call Payout** Notional Amount × Reference Level - Fixed Percentage [provided that in no circumstances the Leveraged Certificates Call Payout shall exceed the proceeds received by the Issuer from the unwinding of its exposure to the Underlying Reference.] where "**Reference Level**" means: $\text{Reference Level}_0 \times (1 + \text{Participation Factor} \times (\text{Fund Level}_t - \text{Fund Level}_0) / \text{Fund Level}_0 - (\text{Participation Factor-1}) \times \text{Fees}_t)$ ["**Optional Condition Settlement Valuation Date (Call)** means [•];] ["**Optional Settlement Valuation Date**" means [•];] ["**Calculation Date**" means each day which is a Fund Business Day;] ["**Day Count Fraction**" is [•];] ["**First Calculation Date**" means [•];] ["**Fees_t**" means the cumulative leverage fee, expressed as a percentage and calculated by the Calculation Agent as the aggregate sum of the Fees Accrued during each Fees Accrual Period;] ["**Fees Accrued**" means, in respect of a Fee Accrual Period, the fees accrued during such period, expressed as a percentage and calculated by the Calculation Agent as follows: (Fee ISDA Rate + Fee Margin) × Day Count Fraction] ["**Fee ISDA Rate**" means [•];] ["**Fee Margin**" is [•];] ["**Fee Accrual Period(s)**" means the periods commencing on (and including) the Fee Accrual Commencing Date up to (but excluding) the first Fee Accrual Date and each subsequent period commencing on (and including) a Fee Accrual Date up to (but excluding) the next following Fee Accrual Date, provided that the last Fee Accrual Period shall be deemed to end (but excluding) on [•] Calculation

		Dates preceding the [Optional Settlement Date(s) (Call)] [Optional Condition Settlement Date (Call)].] ["**Fee Accrual Commencing Date**" is [•];] ["**Fee Accrual Date(s)**" is [•];] ["**Fixing Date**" means the Calculation Date immediately preceding the First Calculation Date.] ["**Fund Level$_0$**" means the Settlement Price of the Underlying Reference(s) as of the Fixing Date.] ["**Fund Level$_t$**" means the Settlement Price of the Underlying Reference(s) as of the [Optional Settlement Valuation Date] [Optional Condition Settlement Valuation Date (Call).] ["**Participation Factor**" is [•];] ["**Reference Level$_0$**" means [•];] [including any remuneration calculated as if it was accrued to [ ]]] (***Insert in respect of Credit Securities***) **[Settlement Date** The scheduled settlement date of the Credit Securities is [•] (the "**Scheduled Settlement Date**"), provided that such date may be extended in certain circumstances to a later date in the event that a Credit Event may have occurred on or prior to the Scheduled Settlement Date or where a Credit Event has occurred prior to the Scheduled Settlement Date but amounts payable as a consequence of such Credit Event have not yet been determined. The later of the Scheduled Settlement Date and such later date is the "**Credit Security Settlement Date**")]
C.17	**A description of the settlement procedure of the derivative securities**	***[Insert if the Securities are Cash Settled Securities:*** [Subject as provided in Element C.18 below, the] [The] Issuer shall pay or cause to be paid the Cash Settlement Amount (if any) for each Security by credit or transfer [to the Securityholder's account with the Clearing System(s)] [according to the instructions of Monte Titoli, to the accounts of the relevant Monte Titoli Accountholder] for value on the [*Insert in respect of Credit Securities*: Scheduled] Settlement Date, less any Expenses not already paid, such payment to be made in accordance with the rules of Clearing System(s). The Issuer's obligations will be discharged [by payment to, or to the order of, the Clearing System(s) of the amount so paid] [by payment to the relevant Monte Titoli Accountholders indicated by Monte Titoli of the amount so paid]. [Each of the persons shown in the records of the Clearing System(s) as the holder of a particular amount of the Securities must look solely to relevant Clearing System(s), for their share of each such payment.] ***[Insert if the Securities are Physically Settled Securities (note that in relation to Credit Securities this is not referring to Physical Settlement following a Credit Event):*** [[Subject as provided in Element C.18 below and] [Subject] to payment of any Expenses with regard to the relevant Securities, the relevant Issuer shall, on the Settlement Date, deliver, or procure the delivery of, the Entitlement for each Security pursuant to the details specified in a notice (the "**Physical Delivery Confirmation Notice**") provided by the relevant Securityholder. The Issuer shall have no obligation to make delivery of the Entitlement in respect of such Security unless and until a duly completed Physical Delivery Confirmation Notice is delivered as provided in the terms and conditions. If the duly completed Physical Delivery Confirmation Notice is delivered after 10.00 a.m.

		(Brussels or Luxembourg time, as the case may be) on the Exercise Date, delivery of such Entitlement shall be made as soon as possible thereafter but not earlier than the [*Insert in respect of Credit Securities*: Scheduled] Settlement Date. For the avoidance of doubt, the relevant holder of a Security shall not be entitled to any additional or further payment by reason of the delivery of the Entitlement in respect of such Security occurring after the Settlement Date as a result of such Physical Delivery Confirmation Notice being delivered after 10.00 a.m. (Brussels or Luxembourg time, as the case may be) on the Exercise Date.] ***[Insert if the Securities have an option to vary settlement:*** Upon a valid exercise of Securities in accordance with the Terms and Conditions, the relevant Issuer may, in respect of each such Security, elect [not to pay the relevant Securityholders the Cash Settlement Amount] [not to deliver or procure delivery of the Entitlement to the relevant Securityholders], but, in lieu thereof [to deliver or procure delivery of the Entitlement] [to make payment of the Cash Settlement Amount] on the [*Insert in respect of Credit Securities*: Scheduled] Settlement Date to the relevant Securityholders, as the case may be. Notification of such election will be given to Securityholders no later than 10.00 a.m. (Luxembourg time) on the second Business Day following the Exercise Date] [***Insert if the Securities are Credit Securities***: As the Securities are Credit Securities, the [payment of the Cash Settlement Amount][delivery of the Entitlement] on the Scheduled Settlement Date as described above, is subject to the occurrence of an Event Determination Date (as described in C.18) and the possible postponement of settlement beyond the Scheduled Settlement Date as described in C.16.
C.18	**Return on the derivative securities**	**[*Settlement*** Unless previously settled or purchased and cancelled, each Security entitles its holder to receive from the Issuer on the Settlement Date [*Insert in the case of cash settled Certificates:* a Cash Settlement Amount equal to:][*Insert in the case of physically settled Certificates*: the Entitlement, being the quantity of [specify relevant assets] (the "**Relevant Assets**") equal to:]] **Final Payout** **[Single Final Payout - Protected Securities** (i) if Settlement Price Final is less than or equal to the Protection Level: Notional Amount × Protection Factor ; or (ii) if Settlement Price Final is greater than the Protection Level: $\text{Notional Amount} + \text{Notional Amount} \times \text{Participation Factor} \times \left(\left(\frac{\text{Settlement Price Final}}{\text{Strike Price}}\right) - 1\right)$ **]** **[Single Final Payout - Protected Capped Securities** (i) if Settlement Price Final is less than or equal to the Protection Level: Notional Amount × Protection Factor; or (ii) if Settlement Price Final is greater than the Protection Level: $\text{Min (Notional Amount} + \text{Notional Amount} \times \text{Participation Factor} \times \left[\left(\frac{\text{Settlement Price Final}}{\text{Strike Price}}\right) - 1\right]; \text{Notional Amount} \times \text{Cap Level Percentage)}$ **]** **[Single Final Payout - Parity and Exchange Securities**

		(i) if Settlement Price Final is less than or equal to the Maximum Payout Amount: $\frac{\text{Settlement Price Final}}{\text{Parity}\times\text{Exchange Rate Final}}$; or (ii) if Settlement Price Final is greater than the Maximum Payout Amount: $\frac{\text{Maximum Payout Amount}}{\text{Parity}\times\text{Exchange Rate Final}}$] **[Single Final Payout – Double Coupon Securities** (i) if Settlement Price Final is greater than the Barrier Level: Notional Amount × (100% + Coupon Percentage 1); or (ii) if Settlement Price Final is less than or equal to the Barrier Level: $\text{Notional Amount} \times \left(\frac{\text{Settlement Price Final}}{\text{Strike Price}} + \text{Coupon Percentage 2}\right)$ **]** **[Single Final Payout - Continuous Double Coupon Securities** (i) if at all times on each Observation Date during the Observation Period the Underlying Reference Level is greater than the Barrier Level: Notional Amount × (100% + Coupon Percentage 1); or (ii) if at any time on an Observation Date during the Observation Period the Underlying Reference Level is less than or equal to the Barrier Level: $\text{Notional Amount} \times \left(\frac{\text{Settlement Price Final}}{\text{Strike Price}} + \text{Coupon Percentage 2}\right)$ **]** **[Single Final Payout - Leveraged Capped Securities** (i) if Settlement Price Final is greater than the Strike Price: $\text{Notional Amount} \times \text{Min}\,[\text{Participation Factor} \times (\frac{\text{Settlement Price Final}-\text{Strike Price}}{\text{Strike Price}}) + 1; \text{Cap Level Percentage}]$; or (ii) if Settlement Price Final is less than or equal to the Strike Price: $\text{Notional Amount} \times \left(\frac{\text{Settlement Price Final}}{\text{Strike Price}}\right)$] **[Single Final Payout - Knock-Out Leveraged Capped Securities** (i) if Settlement Price Final is greater than the Strike Price: $\text{Notional Amount} \times \text{Min}\left[\text{Participation Factor} \times \left(\frac{\text{Settlement Price Final} - \text{Strike Price}}{\text{Strike Price}}\right) + 1; \text{Cap Level Percentage}\right]$ (ii) if Settlement Price Final is less than or equal to the Strike Price and no Knock-out Event has occurred: Notional Amount × AirbagPercentage; or (iii) if Settlement Price Final is less than or equal to the Strike Price and a Knock-out Event has occurred: $\text{Notional Amount} \times \left(\frac{\text{Settlement Price Final}}{\text{Strike Price}}\right)$] where: ["**AirbagPercentage**" is [•]] **[Single Final Payout - Strike-Out Leveraged Capped Securities** (i) if Settlement Price Final is greater than the Strike Price: $\text{Notional Amount} \times \text{Min}\,[\text{Participation Factor} \times (\frac{\text{Settlement Price Final} - \text{Strike Price}}{\text{Strike Price}}) + 1; \text{Cap Level Percentage}]$ (ii) if Settlement Price Final is less than or equal to the Strike Price and equal to or greater than the Barrier Level:

Notional Amount × AirbagPercentage; or

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

$$\text{Notional Amount} \times \left(\frac{\text{Settlement Price Final}}{\text{Strike Price}}\right)$$

where:

["**AirbagPercentage**" is [•]]

[Single Final Payout - Capped Speed Securities

(i) if Settlement Price Final is greater than the Strike Price:

$$\left[\frac{\text{Strike Price} + \text{Speed Factor} \times [\text{Min (Upper Level; Settlement Price Final)} - \text{Strike Price}]}{[\text{Parity} \times \text{Exchange Rate Final}]}\right]$$

(ii) if Settlement Price Final is less than or equal to the Strike Price:

$$\frac{\text{Settlement Price Final}}{[\text{Parity} \times \text{Exchange Rate Final}]} \quad]$$

[Single Final Payout - Capped Bonus Parity Exchange Securities

(i) if Settlement Price Final is greater than the Barrier Level:

$$\frac{\text{Bonus Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}; \text{ or}$$

(ii) if Settlement Price Final is less than or equal to the Barrier Level:

$$\frac{\text{Min [Settlement Price Final;Cap Level]}}{[\text{Parity} \times \text{Exchange Rate Final}]} \;]$$

[Single Final Payout - Capped Bonus Securities

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

$$\text{Notional Amount} \times \text{Max (Bonus Level Percentage; } \frac{\text{Settlement Price Final}}{\text{Strike Price}})$$

(ii) if Settlement Price Final is equal to or greater than the Cap Level:

Notional Amount × Cap Level Percentage;

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

$$\text{Notional Amount} \times \left(\frac{\text{Settlement Price Final}}{\text{Strike Price}}\right) \quad]$$

[Single Final Payout - Reverse Capped Securities

(i) if no Knock-out Event has occurred and Settlement Price Final is greater than the Cap Level:

$$\text{Notional Amount} \times \text{Max [Reverse Capped Securities Percentage 1} - \text{Bonus Level Percentage; Reverse Capped Securities Percentage 2} - \frac{\text{Settlement Price Final}}{\text{Strike Price}} \;]$$

(ii) if no Knock-out Event has occurred and Settlement Price Final is less than or equal to the Cap Level:

Notional Amount × [Reverse Capped Securities Percentage 3 - Cap Level Percentage 1]; or

(iii) if a Knock-out Event has occurred:

$$\text{Notional Amount} \times \left[\text{Max}\left(\text{Floor Percentage; Min}\left(\left(\text{Reverse Capped Securities Percentage 4} - \frac{\text{Settlement Price Final}}{\text{Strike Price}}\right); (\text{Reverse Capped Securities Percentage 5} - \text{Cap Level Percentage 2})\right)\right)\right] \;]$$

[Single Final Payout - Continuous Capped Bonus Parity Exchange Securities

		(i) if the Underlying Reference Level has never been less than or equal to the Barrier Level at any time on any Observation Date during the Observation Period: $\frac{\text{Bonus Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}$; or (ii) otherwise: $\frac{\text{Min [Settlement Price Final;Cap Level]}}{[\text{Parity} \times \text{Exchange Rate Final}]}$] **[Single Final Payout - Continuous Capped Bonus Securities** (i) if at all times on each Observation Date during the Observation Period the Underlying Reference Level is greater than the Barrier Level and if Settlement Price Final is less than the Cap Level: $\text{Notional Amount} \times \text{Max}\left(\text{Bonus Level Percentage}; \frac{\text{Settlement Price Final}}{\text{Strike Price}}\right)$ (ii) if at all times on each Observation Date during the Observation Period the Underlying Reference Level is greater than the Barrier Level and if Settlement Price Final is greater than or equal to the Cap Level: Notional Amount × Cap Level Percentage 1; or (iii) if at any time on an Observation Date during the Observation Period the Underlying Reference Level is less than or equal to the Barrier Level: $\text{Notional Amount} \times \text{Min}(\text{Cap Level Percentage 2}; \frac{\text{Settlement Price Final}}{\text{Strike Price}})$] **[Single Final Payout - Standard Express Securities** (i) if Settlement Price Final is greater than the Barrier Level: Express Amount; or (ii) if Settlement Price Final is less than or equal to the Barrier Level: $\text{Issue Price} \times \left(\frac{\text{Settlement Price Final}}{\text{StrikePrice}}\right)$] **[Single Final Payout – Continuous Reverse Level Parity Exchange Securities** (i) if at all times on each Observation Date during the Observation Period the Underlying Reference Level is less than the Barrier Level: $\frac{\text{Reverse Level} - \text{Bonus Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}$; (ii) otherwise: $\text{Max}\left[0; \frac{\text{Reverse Level} - \text{Max [Settlement Price Final;Cap Level]}}{\text{Parity} \times \text{Exchange Rate Final}}\right]$] **[Single Final Payout - Standard Step Memory Securities** (i) if Settlement Price Final is greater than the Strike Price: Notional Amount × [100%+Premium Percentage × [n]]; (ii) if Settlement Price Final is less than or equal to the Strike Price and greater than the Barrier Level: Notional Amount ×100%; or (iii) if Settlement Price Final is less than or equal to the Barrier Level: $\text{Notional Amount} \times \left[100\% + \frac{\text{Settlement Price Final} - \text{Underlying Reference Initial}}{\text{Underlying Reference Initial}}\right]$] **[Single Final Payout - Standard Memory Securities** (i) if Settlement Price Final is greater than the Barrier Level: Notional Amount × [100% + [Premium Percentage] × [n]]; or (ii) if Settlement Price Final is less than or equal to the Barrier Level:

$$\text{Notional Amount} \times \left[100\% + \left(\frac{\text{Settlement Price Final} - \text{Underlying Reference Initial}}{\text{Underlying Reference Initial}}\right)\right]$$]

[Single Final Payout - Forex DivReinvested Fees Securities

$$\text{Cert}_{(t_0)} \times \text{AF}_{(t)} \times \left[\text{UR}_{(t)} \times \text{Fx}_{(t)} / \left(\text{UR}_{(t0)} \times \text{Fx}_{(t0)}\right)\right]$$

where:

["**$ACT_{(i,i-1)}$**" means the number of calendar days between two ACT Days;]

["**ACT Day**" means [•];]

["**$AF_{(t)}$**" means fees $factor_{(t)}$ × div reinvested $factor_{(t)}$;]

["**Applicable Withholding Tax**" means a percentage calculated by the Calculation Agent representing the amount of taxes deducted or withheld at source by or on behalf of any applicable authority having the power to tax in respect of any cash dividends ex-dividend at date $_{ti}$ payable in respect of the [Share] [a constituent share in the Index] pursuant to any applicable double taxation treaty or domestic law prevailing at the time of the distribution;]

["**$Cert_{(t0)}$**" means [•];]

["**div reinvested $factor_{(t)}$**" means: [Product $_{(ti=t0+1)}$ to $_{(ti=t)}$ (1 + Div Percentage × Gross $div_{(ti)}$ / $UR_{(ti-1)}$)]; [1];]

["**Div Percentage**" means: [•] [1 – Applicable Withholding Tax];]

["**Exchange Rate Previous**" means [Exchange Rate Initial] [Exchange Rate] on the Initial Valuation Date;]

["**fees**" means [•];]

["**fees $factor_{(t)}$**" means Product $_{(ti=t0+1)}$ to $_{(ti=t)}$ (1 – fees × $ACT_{(i,i-1)}$/360);]

["**First Valuation Date**" means [•];]

["**$Fx_{(t)}$**" means Exchange Rate Final;]

["**$Fx_{(t0)}$**" means Exchange Rate Previous;]

["**Gross $div_{(ti)}$**" means [any ordinary cash dividends (before deduction of any withholding or deduction of taxes at source by or on behalf of any applicable authority having the power to tax in respect of such dividend and without any tax credit refund or deduction granted by any applicable authority having the power to tax in respect of such dividend) ex-dividend at $date_{ti}$ and effectively paid] [any ordinary cash dividends (before deduction of any withholding or deduction of taxes at source by or on behalf of any applicable authority having the power to tax in respect of such dividend and without any tax credit refund or deduction granted by any applicable authority having the power to tax in respect of such dividend) ex-dividend at date $_{ti}$ on any constituent share in such Index at date ti, taking into account the weight of such constituent share at date ti-1 and effectively paid], , provided that if no ordinary cash dividends are paid ex-dividend at $date_{ti}$, Gross $div_{(ti)}$ will be zero;]

["**Initial Valuation Date**" is [•]. The Initial Valuation Date shall be deemed to be a Valuation Date;]

["**$UR_{(t)}$**" means Settlement Price Final;]

["**$UR_{(ti-1)}$**" means the Settlement Price of the Underlying Reference on the Scheduled Trading Day prior to the Dividend ex $Date_{(ti-1)}$;]

["**$UR_{(t0)}$**" means the Settlement Price of the Underlying Reference on the First Valuation Date.]]

[Single Final Payout – Continuous Bonus Floored Exchange Parity Securities

(i) if the Underlying Reference Level has never been less than or equal to the Barrier Level at any time on any Observation Date during the Observation Period:

$$\frac{\text{Max [Settlement Price Final;Bonus Level]}}{\text{[Parity} \times \text{Exchange Rate Final]}}$$; or

(ii) otherwise:

$$\frac{\text{Settlement Price Final}}{\text{[Parity} \times \text{Exchange Rate Final]}}$$

]

[Single Final Payout Continuous Bonus Floored Securities

(i) if at all times on each Observation Date during the Observation Period the Underlying Reference Level is greater than the Barrier Level:

$$\text{Notional Amount} \times \text{Max}\left(\text{Bonus Level Percentage}; \frac{\text{Settlement Price Final}}{\text{Strike Price}}\right); \text{ or}$$

(ii) if at any time on an Observation Date during the Observation Period the Underlying Reference Level is less than or equal to the Barrier Level:

$$\text{Notional Amount} \times \left(\frac{\text{Settlement Price Final}}{\text{Strike Price}}\right) \quad]$$

[Single Final Payout – Continuous Capped Reverse Level Parity Exchange Securities

(i) if at all times on each Observation Date during the Observation Period the Underlying Reference Level has been less than the Barrier Level:

$$\frac{\text{Reverse Level} - \text{Min [Bonus Level;Settlement Price Final]}}{\text{[Parity} \times \text{Exchange Rate Final]}}; \text{ or}$$

(ii) otherwise:

$$\text{Max}\left[\frac{\text{Floor Level}}{\text{(Parity} \times \text{ Exchange Rate Final)}}; \frac{\text{(Reverse Level} - \text{Settlement Price Final)}}{\text{(Parity} \times \text{ Exchange Rate Final)}}\right]$$

where

["**Floor Level**" is [•].]

[Single Final Payout – Upside and Downside Securities

(i) if no Knock-out Event has occurred:

Notional Amount × [100% +Settlement Premium]; or

(ii) if a Knock-out Event has occurred:

$$\text{Notional Amount} \times \left(\frac{\text{Settlement Price Final}}{\text{Strike Price}}\right)$$

where

["**Settlement Premium**" means:

$$\text{Max [Upside Participation Factor} \times \left(\frac{\text{Settlement Price Final}}{\text{Strike Price}} - 1\right); \text{Downside Participation Factor} \times \left(1 - \frac{\text{Settlement Price Final}}{\text{Strike Price}}\right)\text{]]]}$$

[Single Final Payout - Capped Upside and Downside Securities

(i) if Settlement Price Final is equal to or greater than the Cap Level and no Knock-out Event has occurred:

$$\text{Notional Amount} \times \text{Cap Level Percentage}$$

(ii) if Settlement Price Final is less than the Cap Level and no Knock-out Event has occurred:

Notional Amount × [100% +Settlement Premium]; or

(iii) if a Knock-out Event has occurred:

$$\text{[Notional Amount]} \times \text{Min}\left(\left(\frac{\text{Settlement Price Final}}{\text{Strike Price}}\right); \text{Cap Level Percentage}\right)$$

Where ["**Settlement Premium**" means:

$$\text{Max [Upside Participation Factor} \times \left(\frac{\text{Settlement Price Final}}{\text{Strike Price}} - 1\right); \text{Downside Participation Factor} \times \left(1 - \frac{\text{Settlement Price Final}}{\text{Strike Price}}\right)\text{]} \quad]$$

[Single Final Payout – Continuous Bonus Barrier Securities

		(i) if at any time on any Observation Date during the Observation Period the Underlying Reference Level is less than or equal to the Barrier Level and equal to or greater than the Bonus Level: (A) if Settlement Price Final is less than or equal to the Bonus Level: $\frac{\text{Bonus Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}$; or (B) if Settlement Price Final is greater than the Bonus Level: $\frac{\text{Settlement Price Final}}{[\text{Parity} \times \text{Exchange Rate Final}]}$ (ii) if at any time on any Observation Date during the Observation Period the Underlying Reference Level is less than or equal to the Barrier Level and at all times less than the Bonus Level: $\frac{\text{Settlement Price Final}}{[\text{Parity} \times \text{Exchange Rate Final}]}$;or (iii) if at all times on each Observation Date during the Observation Period the Underlying Reference Level is greater than the Barrier Level: (A) if Settlement Price Final is less than or equal to the Bonus Level: $\frac{\text{Bonus Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}$; or (B) if Settlement Price Final is greater than the Bonus Level: $\frac{\text{Settlement Price Final}}{[\text{Parity} \times \text{Exchange Rate Final}]}$] **[Single Final Payout – Capped Continuous Bonus Barrier Securities** (i) if at any time on any Observation Date during the Observation Period the Underlying Reference Level is less than or equal to the Barrier Level and equal to or greater than the Bonus Level: (A) if Settlement Price Final is less than or equal to the Bonus Level: $\frac{\text{Bonus Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}$; or (B) if Settlement Price Final is greater than the Bonus Level: $\text{Min}\ \frac{[\text{Settlement Price Final}, \text{Cap Percentage 1}]}{[\text{Parity} \times \text{Exchange Rate Final}]}$ (ii) if at any time on any Observation Date during the Observation Period the Underlying Reference Level is less than or equal to the Barrier Level and at all times less than the Bonus Level: $\text{Min}\ \frac{[\text{Settlement Price Final}, \text{Cap Percentage 2}]}{[\text{Parity} \times \text{Exchange Rate Final}]}$ (iii) if at all times on each Observation Date during the Observation Period the Underlying Reference Level is greater than the Barrier Level: (A) if Settlement Price Final is less than or equal to the Bonus Level: $\frac{\text{Bonus Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}$;or (B) if Settlement Price Final is greater than the Bonus Level: $\text{Min}\ \frac{[\text{Settlement Price Final}, \text{Cap Percentage 3}]}{[\text{Parity} \times \text{Exchange Rate Final}]}$] **[Single Final Payout - Lower Collared Knock-Out Securities** (i) if the Settlement Price Final is equal to or greater than the Upper Level: $\frac{\text{Upper Level} - \text{Lower Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}$ (ii) if the Settlement Price Final is greater than the Lower Level and less than the Upper Level:

$$\frac{\text{Settlement Price Final} - \text{Lower Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}$$;or

(iii) if the Settlement Price Final is less than or equal to the Lower Level:

$$\frac{\text{Final Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}$$

where:

"**Final Level**" is [•].]

[Single Final Payout - Upper Collared Knock-Out Securities

(i) if the Settlement Price Final is less than or equal to the Lower Level:

$$\frac{\text{Upper Level} - \text{Lower Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}$$

(ii) if the Settlement Price Final is greater than the Lower Level but less than the Upper Level:

$$\frac{\text{Upper Level} - \text{Settlement Price Final}}{[\text{Parity} \times \text{Exchange Rate Final}]}$$; or

(iii) if the Settlement Price Final is equal to or greater than the Upper Level:

$$\frac{\text{Final Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}$$

where:

"**Final Level**" is [•].]

[Single Final Payout - Continuous Lower Knock-Out Securities

(i) if at all times on each Observation Date during the Observation Period the Underlying Reference Level is greater than the Lower Level:

(A) if Settlement Price Final is greater than the Lower Level:

$$\frac{\text{Upper Level} - \text{Lower Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}$$; or

(B) if Settlement Price Final is less than or equal to the Lower Level:

$$\frac{\text{Final Level 1}}{[\text{Parity} \times \text{Exchange Rate Final}]}$$.; or

(ii) if at any time on an Observation Date during the Observation Period the Underlying Reference Level is less than or equal to the Lower Level:

(A) if Settlement Price Final is equal to or greater than the Upper Level:

$$\frac{\text{Upper Level} - \text{Lower Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}$$;

(B) if Settlement Price Final is greater than the Lower Level but less than the Upper Level:

$$\frac{\text{Settlement Price Final} - \text{Lower Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}$$ or

(C) if the Settlement Price Final is less than or equal to the Lower Level:

$$\frac{\text{Final Level 2}}{[\text{Parity} \times \text{Exchange Rate Final}]}$$

where:

["**Final Level 1**" is [•];]

["**Final Level 2**" is [**•**].]]

[Single Final Payout - Continuous Upper Knock-Out Securities

(i) if at all times on each Observation Date during the Observation Period the Underlying Reference Level is less than the Upper Level:

(A) if Settlement Price Final is less than the Upper Level:

$$\frac{\text{Upper Level} - \text{Lower Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}$$; or

(B) if Settlement Price Final is equal to or greater than the Upper Level:

$$\frac{\text{Final Level 1}}{[\text{Parity} \times \text{Exchange Rate Final}]}$$; or

(ii) if at any time on an Observation Date during the Observation Period the Underlying Reference Level is equal to or greater than the Upper Level:

(A) if Settlement Price Final is less than or equal to the Lower Level:

$$\frac{\text{Upper Level} - \text{Lower Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}$$; or

(B) if Settlement Price Final is greater than the Lower Level but less than the Upper Level:

$$\frac{\text{Upper Level} - \text{Settlement Price Final}}{[\text{Parity} \times \text{Exchange Rate Final}]}$$; or

(C) if Settlement Price Final is equal to or greater than the Upper Level:

$$\frac{\text{Final Level 2}}{[\text{Parity} \times \text{Exchange Rate Final}]}$$

where:

["**Final Level 1**"is [•];]

["**Final Level 2**" is [•].]]

[Single Final Payout – Standard Call and Put Securities

$$\left[\frac{\text{Max}(0;\text{Settlement Price Final} - \text{Strike Price})}{[\text{Parity} \times \text{Exchange Rate Final}]}\right]$$

$$\left[\frac{\text{Max}(0;\text{Strike Price} - \text{Settlement Price Final})}{[\text{Parity} \times \text{Exchange Rate Final}]}\right]]$$

[Single Final Payout - Knock-In Call and Put Securities

[

(A) if no Knock-in Event has occurred,

$$\frac{\text{Final Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}$$; or

(B) if a Knock-in Event has occurred but no Knock-out Event has occurred:

$$\frac{\text{Max}\ (0;\text{Settlement Price Final} - \text{Strike Price})}{[\text{Parity} \times \text{Exchange Rate Final}]}$$;]

[

(A) if no Knock-in Event has occurred,

$$\frac{\text{Final Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}.$$

(B) if a Knock-in Event has occurred but no Knock-out Event has occurred:

$$\frac{\text{Max}\ (0; \text{Strike Price} - \text{Settlement Price Final})}{[\text{Parity} \times \text{Exchange Rate Final}]}$$

]

where:

"**Final Level**" is [•].]

[Single Final Payout - Capitalised Call and Put Securities

[Max $\left(0; \left(\frac{\text{Final Price} - \text{Capitalised Exercise Price}}{\text{Parity} \times \text{Conversion Rate Final}}\right)\right)$] ; or

[Max $\left(0; \left(\frac{\text{Capitalised Exercise Price} - \text{Final Price}}{\text{Parity} \times \text{Conversion Rate Final}}\right)\right)$]]

[Single Final Payout - Leverage Factor Securities

[the Bull Certificate Value on the relevant Valuation Date]

[the Bear Certificate Value on the relevant Valuation Date]

in each case, converted into the Settlement Currency at the Exchange Rate on the relevant Valuation Date.

Where:

["**Adjusted Bear CV**" or "**Adjusted Bull CV**" means an amount calculated by the Calculation Agent in accordance with the Bear CV_t formula or the Bull CV_t formula, except that:

(i) with respect to any calculation to be made following the first Reset Event occurring during an Observation Time Period (the "**Relevant Observation Time Period**"): U_t will be the Reset Price calculated following the relevant Reset Event Determination Time;

(ii) with respect to any subsequent Reset Events occurring within the Relevant Observation Time Period:

(a) Bear CV_{t-1} will be the Adjusted Bear CV and Bull CV_{t-1} will be the Adjusted Bull CV, as the case may be, last calculated prior to the relevant Reset Event Determination Time;

(b) FC_t is equal to (0) zero;

(c) U_t is the Reset Price calculated following the relevant Reset Event Determination Time;

(d) U_{t-1} is the Reset Price last calculated prior to the relevant Reset Event Determination Time;

(e) [div_t^{net} and div_t^{gross} will be equal to (0) zero];

(f) [rc_{t-1} will be equal to (0) zero].]

["**Bear CV_0**" means the Issue Price per Certificate converted into the Calculation Currency at the Exchange Rate on the Relevant Business Day preceding the Commencement Date (t=0);]

["**Bear CV_{t-1}**" means, in respect of the calculation of Bear CVt, the Bear Certificate Value last calculated, provided that, the Bear CV_{t-1} for the Listing Date is Bear CV_0;]

["**Bear Certificate Value**" or "**Bear CV_t**" means, in respect of a Relevant Business Day, an amount calculated by the Calculation Agent in accordance with the following formula:

[max $\left[Bear\ CV_{t-1} \times \left(1 - L \times \left(\frac{U_t + div_t^{gross}}{U_t - 1} - 1\right)\right) + FC_t; 0.5\% \times Bear\ CV_{t-1}\right]$]

[max $\left[Bear\ CV_{t-1} \times \left(1 - L \times \left(\frac{U_t}{U_{t-1+rc_{t-1}}} - 1\right)\right) + FC_t; 0.5\% \times Bear\ CV_{t-1}\right]$]

[max $\left[Bear\ CV_{t-1} \times \left(1 - L \times \left(\frac{U_t}{U_t - 1} - 1\right)\right) + FC_t; 0.5\% \times Bear\ CV_{t-1}\right]$]]

["**Bull CV_0**" means the Issue Price per Certificate converted into the Calculation Currency at the Exchange Rate on the Relevant Business Day preceding the Commencement Date (t=0);]

["**Bull Certificate Value**" or "**Bull CV_t**" means, in respect of a Relevant Business Day, an amount calculated by the Calculation Agent in accordance with the following formula:

[max $\left[Bull\ CV_{t-1} \times \left(1 + L \times \left(\frac{U_t + div_t^{net}}{U_t - 1} - 1\right)\right) + FC_t; 0.5\% \times Bull\ CV_{t-1}\right]$ **]**

		[max $[Bull\ CV_{t-1} \times \left(1 + L \times \left(\frac{U_t}{U_{t-1} + rc_{t-1}} - 1\right)\right) + FC_t; 0.5\% \times Bull\ CV_{t-1}]$ **]** **[** max $[Bull\ CV_{t-1} \times \left(1 + L \times \left(\frac{U_t}{U_t - 1} - 1\right)\right) + FC_t; 0.5\% \times Bull\ CV_{t-1}]$ **]** ["**Bull CV**$_{t-1}$" means, in respect of the calculation of Bull CVt, the Bull Certificate Value last calculated, provided that the Bull CV$_{t-1}$ for the Listing Date is Bull CV$_0$;] ["**Calculation Currency**" means [the currency of the Underlying Reference] [the Alternative Currency]; ["**Calculation Time**$_t$" means [the Scheduled Closing Time] [the time at which the official closing level of the relevant Index is published] [the time at which the First Traded Price of the relevant Futures or Option Exchange is published)] [the time at which the relevant Commodity Reference Price is published by the relevant Exchange] [the Valuation Time], [on such Relevant Business Day;]] ["**Calculation Time**$_{t-1}$" means [•];] ["**Commencement Date**" means, the Listing Date (t=1);] ["**Cut-off Time**" means [[•]][7.00 p.m. (local time in the city in which the relevant Exchange or Futures or Options Exchange is situated), in the case of a normal trading session and 3.00 p.m. (local time in the city in which the relevant Exchange or Futures or Options Exchange is situated), in the case of a half day trading session];] ["$\mathbf{div_t^{gross}}$" means, in respect of an Ex-Dividend Date, [an amount determined by the Calculation Agent equal to the sum of the gross cash dividends and/or other cash distributions payable in respect of [•]] [in respect of each share comprising the Index (an "**Index Share**") related to such Ex-Dividend Date;]] ["$\mathbf{div_t^{net}}$" means, in respect of an Ex-Dividend Date, an amount determined by the Calculation Agent equal to the sum of the cash dividends and/or other cash distributions payable in respect of [•]] [in respect of each share comprising the Index] related to such Ex-Dividend Date less any taxes deducted or withheld at source by or on behalf of any applicable authority having the power to tax in respect of such dividends pursuant to any applicable double taxation treaty or domestic law prevailing at the time of the distribution;]] ["**Ex-Dividend Date**" means, the date on which the [Share] [share comprising the Index] becomes "ex-dividend" as determined by the Calculation Agent;] ["**Fee**" or "**F**" means [•];] ["**Fee Range**" means [•];] ["**Financing Component**$_{(t)}$" or "**FC**$_t$" means, in respect of a Relevant Business Day: $[\ -CV_{t-1} \times \left((-L-1) \times (r_{t-1}^{u} - rm) + L \times (hc + F)\right) \times n\,(t-1, t)\ ]$ $[\ -CV_{t-1} \times \left((L-1) \times (r_{t-1}^{u} + rm) + L \times (hc + F) \times n\,(t-1, t)\right)\ ]$ $[\ -CV_{t-1} \times (-(r_{t-1}^{u} - rm) + L \times (hc + F)) \times n\,(t-1, t)\ ]$ $[\ -CV_{t-1} \times (-(r_{t-1}^{u} - rm) + L \times (hc + F)) \times n\,(t-1, t)\ ]$ $[\ -CV_{t-1} \times (-r_{t-1}^{ub} - L \times (r_{t-1}^{ub} - r_{t-1}^{ur} - rm) + L \times (hc + F)) \times n\,(t-1, t)\ ]$ $[\ -CV_{t-1} \times (-r_{t-1}^{ub} + L \times (r_{t-1}^{ub} - r_{t-1}^{ur} + rm) + L \times (hc + F)) \times n\,(t-1, t)\ ]\ ]$ ["**Hedging Cost" or "hc**" means [•] [If the cost of hedging the Securities materially exceeds such specified percentage, the Calculation Agent acting in good faith and in a commercially reasonable manner, may adjust the Hedging Cost, to reflect this change [save that the Hedging Cost will [not be less than the Minimum Hedging Cost] [and] [will not exceed the Maximum Hedging Cost.]] ["**Interest Margin**" or "**rm**" means [•]. The Calculation Agent may adjust the Interest Margin, acting in good faith and in a commercially reasonable manner, to reflect any disparity between the Reference Interest Rate and the Issuer's funding rate, [save that the Interest Margin will [not be less than the Minimum Interest Margin] [and] [will not exceed the Maximum Interest Margin]; ["**Leverage Factor" or "L**" means [•];] ["**Maximum Hedging Cost**" means [•];]

		["**Maximum Interest Margin**" means [•];] ["**Minimum Hedging Cost**" means [•];] ["**Minimum Interest Margin**" means [•];] ["**Observation Price**" means [•];] ["**Observation Price Source**" means [•];] ["**Observation Time Period**" means, in respect of a Relevant Business Day, the period of time from but excluding Calculation Timet-1 to and including Calculation Timet;] ["**Rate Period**" or "**n(t-1,t)**" means, in respect of a Relevant Business Day, (the number of calendar days from (and including) the Relevant Business Day immediately preceding such Relevant Business Day to (but excluding) such Relevant Business Day, divided by 360;] ["**Reference Floating Rate**" means [•];] ["**Reference Floating Rate Option**" means [•];] ["**Reference Floating Rate Option Page**" means [•];] ["**Reference Floating Rate Option Time**" means [•];] ["**Reference Interest Rate", "r^{u}_{t-1}", "r^{ub}_{t-1}" or "r^{ur}_{t-1}**" means [•];] ["**Relevant Business Day"** means [•];] ["**Reset Price**" means the price of the Underlying Reference determined by the Calculation Agent by reference to the price obtained by unwinding any underlying related hedging arrangements in respect of the relevant Security during the Unwinding Time Period immediately following the relevant Reset Event Determination Time. The Unwinding Time Period shall occur during the opening hours of [•];] ["**Reset Threshold**" means, in respect of a Relevant Business Day, an amount calculated by the Calculation Agent in accordance with the following formula: (i) [$(1+P_{reset}) \times U_{t-1} - div_{\ t}{}^{gross}$] (ii) [$(1-P_{reset}) \times U_{t-1} - div_{\ t}{}^{net}$] (iii) [$(1+P_{reset}) \times \ (U_{t-1} + rc_{t-1}\ )$] (iv) [$(1-P_{reset}) \times \ (U_{t-1} + rc_{t-1}\ )$] (v) [$(1+P_{reset}) \times \ U_{t-1}$] (vi) [($1-P_{reset}) \times \ U_{t-1}$] [provided that: [at Calculation Time$_t$ on such Relevant Business Day [the "Reset Threshold" will be reset and calculated as provided above except that references to "U_{t-1}" will be deemed to be references to "U_t"] [references to "rc_{t-1}" will be deemed to be references to "rc_t";] [the Reset Threshold will be reset on the occurrence of each Reset Event and will be calculated in accordance with the Reset Threshold formula] [except that: [U_{t-1} is the Reset Price last calculated before the relevant Reset Event Determination Time;] [$\mathrm{div}_t^{\mathrm{net}}$] [r $\mathrm{div}_t^{\mathrm{gross}}$] is equal to (0) zero; [rc_{t-1} is equal to (0) zero].] ["**Reset Threshold Percentage**" or "**P_{reset}**" means [•];] ["**Rollover Costs$_t$**" or "rc_t" means, in respect of a Relevant Business Day, [where the Relevant Business Day is not a Futures Rollover Date, zero] [where the Relevant Business Day is a Futures Rollover Date, an amount, which may be positive or negative, calculated by the Calculation Agent representing the cost to the

		Issuer and/or its Affiliates of unwinding its hedging arrangements in the [Current Exchange-traded Contract] [or] [the relevant Futures Contract], as the case may be, less the cost to the Issuer and/or its Affiliates of establishing hedging arrangements in the next [Current Exchange-traded Contract] [or] [Futures Contract], as the case may be, [in each case] in respect of the relevant Futures Rollover Date, such amount to be allocated *pro rata* amongst the Securities.]] ["**Rollover Costs**$_{t-1}$" or "rc_{t-1}" means, in respect of a Relevant Business Day, [where the immediately preceding Relevant Business Day is not a Futures Rollover Date, zero] [where the immediately preceding Relevant Business Day is a Futures Rollover Date, an amount, which may be positive or negative, calculated by the Calculation Agent representing the cost to the Issuer and/or its Affiliates of unwinding its hedging arrangements in [the Current Exchange-traded Contract] [or] [the relevant Futures Contract], as the case may be, less the cost to the Issuer and/or its Affiliates of establishing hedging arrangements in [the next Current Exchange-traded Contract] [or] [Futures Contract], [in each case] in respect of the relevant Futures Rollover Date, such amount to be allocated *pro rata* amongst the Securities;]] ["**Settlement Currency**" means [•];] ["**Settlement Price**" means [•];] ["**Underlying Price**$_{(t)}$" or "**U**$_{(t)}$" means, in respect of a Relevant Business Day and subject as provided in [•] [the Settlement Price on such Relevant Business Day] [[if the Relevant Business Day is the Valuation Date], the Settlement Price on such Relevant Business Day], [[if the Relevant Business Day is not the Valuation Date] the Settlement Price]] [the First Traded Price in each case on such Relevant Business Day];] ["**Underlying Price**$_{(t-1)}$" or "**U**$_{(t-1)}$" means, in respect of a Relevant Business Day, the Underlying Price(t) for the Relevant Business Day immediately preceding such day;] ["**Unwinding Time Period**" means a period of [•];] ["**Valuation Date**" means [•].] [The above is subject to certain adjustments].]] **[Multiple Final Payout – Constant Percentage Securities** Notional Amount × Constant Percentage 1] **[Multiple Final Payout - Normal Performance Securities** [Notional Amount × [Constant Percentage+Participation Factor × Final Settlement Value]] [Notional Amount × Max [0%; Constant Percentage+Participation Factor × Final Settlement Value]] [Notional Amount × [Constant Percentage + Participation Factor × Max (Floor Percentage , Gearing × Final Settlement Value)]] [Notional Amount × [Constant Percentage + Participation Factor × Min (Floor Percentage , Gearing × Final Settlement Value)]] [Notional Amount × { Constant Percentage + Participation Factor 1 × Min [(Cap Percentage ; Participation Factor 2 × Max (Floor Percentage ; Gearing × Final Settlement Value))] }] where: ["**Participation Factor 1**" is [•];] ["**Participation Factor 2** " is [•].]] **[Multiple Final Payout - Performance Differential Securities** Notional Amount × [Constant Percentage + Participation Factor × (Beta 1 × Final Settlement Value 1 – Beta 2 × Final Settlement Value 2)] Where

		["**Beta 1**"is [•];] ["**Beta 2**" is [•].]] **[Multiple Final Payout – 1-Way Floor Securities** Notional Amount × [Constant Percentage 1 + Max (Constant Percentage 2 + Gearing × Option; Constant Percentage 3)] where: ["**Option**" means [Put] [Put Spread] [Call] [Call Spread] [EDS] [Forward];] ["**EDS**" means Max (EDS Percentage, Min (Constant Percentage 4 – nEDS × Loss Percentage, Constant Percentage 5));] ["**nEDS**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is [less than or equal to] [less than] [greater than or equal to] [greater than], EDS Barrier Percentage;] ["**EDS Percentage**" is [•];] ["**EDS Barrier Percentage**" is [•];] ["**Forward**" means Final Settlement Value – Strike Percentage;] ["**Put**" means Max (Strike Percentage – Final Settlement Value; Constant Percentage 4);] ["**Put Spread**" means Min (Max (Strike Percentage – Final Settlement Value; Constant Percentage 4); Spread Percentage);] ["**Spread Percentage**" means [•];] ["**Call**" means Max (Final Settlement Value - Strike Percentage; Constant Percentage 4);] ["**Call Spread**" means Min (Max (Final Settlement Value - Strike Percentage; Constant Percentage 4); Spread Percentage)];] [provided that no Cash Settlement Amount will be payable and Physical Delivery will apply]] **[Multiple Final Payout – 1-Way Cap Securities** Notional Amount × [Constant Percentage 1 + Min (Constant Percentage 2 + Gearing × Option; Constant Percentage 3)] where: ["**Option**" means [Put] [Put Spread] [Call] [Call Spread] [EDS] [Forward];] ["**EDS**" means Max (EDS Percentage, Min (Constant Percentage 4 – nEDS × Loss Percentage, Constant Percentage 5));] ["**nEDS**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is [less than or equal to] [less than] [greater than or equal to] [greater than] EDS Barrier Percentage;] ["**EDS Percentage**" is [•];] ["**EDS Barrier Percentage**" is [•];] ["**Forward**" means Final Settlement Value – Strike Percentage;] ["**Put**" means Max (Strike Percentage – Final Settlement Value; Constant Percentage 4);] ["**Put Spread**" means Min (Max (Strike Percentage – Final Settlement Value; Constant Percentage 4); Spread Percentage);] ["**Spread Percentage**" means [•];] ["**Call**" means Max (Final Settlement Value - Strike Percentage; Constant Percentage 4);] ["**Call Spread**" means Min (Max (Final Settlement Value - Strike Percentage; Constant Percentage 4); Spread Percentage)]] [provided that no Cash Settlement Amount will be payable and Physical Delivery will apply]]

		[Multiple Final Payout – 2-Way Securities Notional Amount × [2-Way Percentage + Participation Factor 1 × Max (Constant Percentage 1 + Gearing 1 × Option 1; Constant Percentage 2) + Participation Factor 2 × Min (Constant Percentage 3 + Gearing 2 × Option 2; Constant Percentage 4)] where: ["**2-Way Percentage**" is [•];] ["**Participation Factor 1**" is [•];] ["**Participation Factor 2**" is [•];] ["**Gearing 1**" is [•];] ["**Gearing 2**" is [•];] ["**Option 1**" means [Put 1] [Put Spread 1] [Call 1] [Call Spread 1] [EDS 1] [Forward 1];] ["**Option 2**" means [Put 2] [Put Spread 2] [Call 2] [Call Spread 2] [EDS 2] [Forward 2];] **[Option 1** ["**EDS 1**" means Max (EDS Percentage 1, Min (Constant Percentage 5 – nEDS 1 × Loss Percentage 1, Constant Percentage 6)); ["**nEDS 1**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is [less than or equal to] [less than] [greater than or equal to] [greater than] EDS Barrier Percentage 1;] ["**EDS Percentage 1**" is [•];] ["**EDS Barrier Percentage 1**" is [•];] ["**Forward 1**" means Final Settlement Value 1 – Strike Percentage 1;] ["**Put 1**" means Max (Strike Percentage 1 – Final Settlement Value 1; Constant Percentage 7);] ["**Put Spread 1**" means Min (Max (Strike Percentage 1 – Final Settlement Value 1; Constant Percentage 8); Spread Percentage 1); ["**Spread Percentage 1**" means [•];] ["**Call 1**" means Max (Final Settlement Value 1 - Strike Percentage 1; Constant Percentage 9);] ["**Call Spread 1**" means Min (Max (Final Settlement Value 1 - Strike Percentage 1; Constant Percentage 10); Spread Percentage 1)] ["**Strike Percentage 1**" means [•];] **Option 2** ["**EDS 2**" means Max (EDS Percentage 2, Min (Constant Percentage 11 – nEDS 2 × Loss Percentage 2, Constant Percentage 12));] ["**nEDS 2**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is [less than or equal to] [less than] [greater than or equal to] [greater than] EDS Barrier Percentage 2;] ["**EDS Percentage 2**" is [•];] ["**EDS Barrier Percentage 2**" is [•];] ["**Forward 2**" means Final Settlement Value 2 – Strike Percentage 2;] ["**Put 2**" means Max (Strike Percentage 2 – Final Settlement Value 2; Constant Percentage 13);] ["**Put Spread 2**" means Min (Max (Strike Percentage 2 – Final Settlement Value 2; Constant Percentage 14); Spread Percentage 2);] ["**Spread Percentage 2**" means [•];] ["**Call 2**" means Max (Final Settlement Value 2 - Strike Percentage 2; Constant Percentage 15);]

		["**Call Spread 2**" means Min (Max (Final Settlement Value 2 - Strike Percentage 2; Constant Percentage 16); Spread Percentage 2)] ["**Strike Percentage 2**" means [•];] [provided that no Cash Settlement Amount will be payable and Physical Delivery will apply]] **[Multiple Final Payout – KI – Reverse Convertible Securities** (A) if no Knock-in Event has occurred: Notional Amount × Constant Percentage 1; or (B) if a Knock-in Event has occurred: [Notional Amount × Max (Constant Percentage 2 + Gearing × Option; Floor Percentage)] [Notional Amount ×Min (Constant Percentage 2+ Gearing × Option; Cap Percentage)] where: ["**Option**" means [Put] [Put Spread] [Call] [Call Spread] [EDS] [Forward];] ["**EDS**" means Max (EDS Percentage, Min (Constant Percentage 3 – nEDS × Loss Percentage, Constant Percentage 4));] ["**EDS Percentage**" is [•];] ["**nEDS**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is [less than or equal to] [less than] [greater than or equal to] [greater than] EDS Barrier Percentage;] ["**EDS Barrier Percentage** " is [•];] [**"Forward**" means Final Settlement Value – Strike Percentage;] ["**Put**" means Max (Strike Percentage – Final Settlement Value; Constant Percentage 3);] ["**Put Spread**" means Min (Max (Strike Percentage – Final Settlement Value; Constant Percentage 3); Spread Percentage);] ["**Call**" means Max (Final Settlement Value - Strike Percentage; Constant Percentage 4);] ["**Call Spread**" means Min (Max (Final Settlement Value - Strike Percentage; Constant Percentage 4); Spread Percentage)] ["**Spread Percentage**" means [•];] [provided that if [no Knock-in Event has occurred] [a Knock-in Event has occurred], no Cash Settlement Amount, will be payable and Physical Delivery will apply.]] **[Multiple Final Payout- KI- Extended Reverse Convertible Securities** (A) if no Knock-in Event has occurred: [Notional Amount × Constant Percentage 1] [Notional Amount × Gearing 1 × Max (Constant Percentage 2 + Gearing 2 × Option 1; Floor Percentage 1)] [Notional Amount × Gearing 1 × Min (Constant Percentage 2 + Gearing 2 × Option 1; Cap Percentage 1)] (B) if a Knock-in Event has occurred: [Notional Amount × Constant Percentage 3] [Notional Amount × Gearing 3 × Max (Constant Percentage 4 + Gearing 4 × Option 2; Floor Percentage 2)]

		[Notional Amount × Gearing 3 × Min (Constant Percentage 4 + Gearing 4 × Option 2; Cap Percentage 3)] where: ["**Option 1**" means [Put 1] [Put Spread 1] [Call 1] [Call Spread 1] [EDS 1] [Forward 1];] ["**Option 2**" means [Put 2] [Put Spread 2] [Call 2] [Call Spread 2] [EDS 2] [Forward 2];] **<u>Option 1</u>** ["**EDS 1**" means Max (EDS Percentage 1, Min (Constant Percentage 4 – nEDS 1× Loss Percentage 1, Constant Percentage 5));] ["**nEDS 1**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is [less than or equal to] [less than] [greater than or equal to] [greater than] EDS Barrier Percentage 1;] ["**EDS Percentage 1**" is [•];] ["**EDS Barrier Percentage 1**" is [•];] ["**Forward 1**" means Final Settlement Value 1– Strike Percentage 1;] ["**Put 1**" means Max (Strike Percentage 1– Final Settlement Value 1; Constant Percentage 6);] ["**Put Spread 1**" means Min (Max (Strike Percentage 1– Final Settlement Value 1; Constant Percentage 7); Spread Percentage 1);] ["**Spread Percentage 1**" means [•];] ["**Call 1**" means Max (Final Settlement Value 1 - Strike Percentage 1; Constant Percentage 8);] ["**Call Spread 1**" means Min (Max (Final Settlement Value 1- Strike Percentage 1; Constant Percentage 9); Spread Percentage 1)] ["**Strike Percentage 1**" means [•];] **<u>Option 2</u>** ["**EDS 2**" means Max (EDS Percentage 2, Min (Constant Percentage 10 – nEDS 2× Loss Percentage 2, Constant Percentage 11));] ["**nEDS 2**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is [less than or equal to] [less than] [greater than or equal to] [greater than] EDS Barrier Percentage 2;] ["**EDS Percentage 2**" is [•];] ["**EDS Barrier Percentage 2**" is [•];] ["**Forward 2**" means Final Settlement Value 2– Strike Percentage 2;] ["**Put 2**" means Max (Strike Percentage 2– Final Settlement Value 2; Constant Percentage 12);] ["**Put Spread 2**" means Min (Max (Strike Percentage 2– Final Settlement Value 2; Constant Percentage 13); Spread Percentage 2);] ["**Spread Percentage 2**" means [•];] ["**Call 2**" means Max (Final Settlement Value 2 - Strike Percentage 2; Constant Percentage 14);] ["**Call Spread 2**" means Min (Max (Final Settlement Value 2 - Strike Percentage 2; Constant Percentage 15); Spread Percentage 2);] ["**Strike Percentage 2**" means [•];] [provided that if [no Knock-in Event has occurred] [a Knock-in Event has occurred], no Cash Settlement Amount, will be payable and Physical Delivery will apply.]] **[Multiple Final Payout- KO- Extended Reverse Convertible Securities**

		(A) if no Knock-out Event has occurred: [Notional Amount × Constant Percentage 1;] [Notional Amount × Gearing 1 × Max (Constant Percentage 2 + Gearing 2 × Option 1; Floor Percentage 1) [Notional Amount × Gearing 1 × Min (Constant Percentage 2 + Gearing 2 × Option 1; Cap Percentage 1)] (B) if a Knock-out Event has occurred: [Notional Amount × Constant Percentage 3] [Notional Amount × Gearing 3 × Max (Constant Percentage 4 + Gearing 4 × Option 2; Floor Percentage 2)] [Notional Amount × Gearing 3 × Min (Constant Percentage 4 + Gearing 4 × Option 2; Cap Percentage 2)] where: ["**Option 1**" means [Put 1] [Put Spread 1] [Call 1] [Call Spread 1] [EDS 1] [Forward 1];] ["**Option 2**" means [Put 2] [Put Spread 2] [Call 2] [Call Spread 2] [EDS 2] [Forward 2];] **<u>Option 1</u>** ["**EDS 1**" means Max (EDS Percentage 1, Min (Constant Percentage 4 – nEDS 1× Loss Percentage 1, Constant Percentage 5));] ["**nEDS 1**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is [less than or equal to] [less than] [greater than or equal to] [greater than] EDS Barrier Percentage 1;] ["**EDS Percentage 1**" is [•];] ["**EDS Barrier Percentage 1**" is [•];] ["**Forward 1**" means Final Settlement Value 1– Strike Percentage 1;] ["**Put 1**" means Max (Strike Percentage 1– Final Settlement Value 1; Constant Percentage 6);] ["**Put Spread 1**" means Min (Max (Strike Percentage 1– Final Settlement Value 1; Constant Percentage 7); Spread Percentage 1);] ["**Call 1**" means Max (Final Settlement Value 1- Strike Percentage 1; Constant Percentage 8);] ["**Call Spread 1**" means Min (Max (Final Settlement Value 1 - Strike Percentage 1; Constant Percentage 9); Spread Percentage 1)] ["**Spread Percentage 1**" means [•];] ["**Strike Percentage 1**" means [•];] **<u>Option 2</u>** ["**EDS 2**" means Max (EDS Percentage 2, Min (Constant Percentage 10 – nEDS 2 × Loss Percentage 2, Constant Percentage 11));] ["**nEDS 2**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is [less than or equal to] [less than] [greater than or equal to] [greater than] EDS Barrier Percentage 2;] ["**EDS Percentage 2**" means [•];] ["**EDS Barrier Percentage 2**" means [•];] ["**Forward 2**" means Final Settlement Value 2 – Strike Percentage 2;] ["**Put 2**" means Max (Strike Percentage 2– Final Settlement Value 2; Constant Percentage 12);] ["**Put Spread 2**" means Min (Max (Strike Percentage 2 – Final Settlement Value 2; Constant Percentage 13); Spread Percentage 2);] ["**Call 2**" means Max (Final Settlement Value 2 - Strike Percentage 2; Constant Percentage 14);]

		["**Call Spread 2**" means Min (Max (Final Settlement Value 2 - Strike Percentage 2; Constant Percentage 15); Spread Percentage 2)] ["**Spread Percentage 2**" means [•];] ["**Strike Percentage 2**" means [•];] [provided that if [no Knock-out Event has occurred] [a Knock-out Event has occurred], no Cash Settlement Amount, will be payable and Physical Delivery will apply.]] **[Multiple Final Payout - KO Reverse Convertible Securities** (A) if no Knock-out Event has occurred: Notional Amount × Constant Percentage 1; or (B) if a Knock-out Event has occurred: [Notional Amount × Max (Constant Percentage 2 + Gearing × Option; Floor Percentage)] [Notional Amount × Min (Constant Percentage 2 + Gearing × Option; Cap Percentage)] where: ["**Option**" means [Put] [Put Spread] [Call] [Call Spread] [EDS] [Forward];] ["**EDS**" means Max (EDS Percentage, Min (Constant Percentage 3 – nEDS × Loss Percentage, Constant Percentage 4));] ["**nEDS**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is [less than or equal to] [less than] [greater than or equal to] [greater than] EDS Barrier Percentage;] ["**EDS Percentage**" means [•];] ["**Forward**" means Final Settlement Value – Strike Percentage;] ["**Put**" means Max (Strike Percentage – Final Settlement Value; Constant Percentage 3);] ["**Put Spread**" means Min (Max (Strike Percentage – Final Settlement Value; Constant Percentage 3); Spread Percentage);] ["**Call**" means Max (Final Settlement Value - Strike Percentage; Constant Percentage 3);] ["**Call Spread**" means Min (Max (Final Settlement Value - Strike Percentage; Constant Percentage 3); Spread Percentage)] ["**Spread Percentage**" means [•];] [provided that if [no Knock-out Event has occurred] [a Knock-out Event has occurred], no Cash Settlement Amount, will be payable and Physical Delivery will apply.]] **[Multiple Final Payout – Vanilla KI Reverse Convertible Securities** (A) if no Knock-in Event has occurred: Notional Amount × Constant Percentage 1; or (B) if a Knock-in Event has occurred: [Notional Amount × Min (Cap Percentage, Gearing × Final Settlement Value + Constant Percentage 2)] [Notional Amount × Max (Floor Percentage, Gearing × Final Settlement Value + Constant Percentage 2)] **]**

		[Multiple Final Payout – Vanilla KO Reverse Convertible Securities (A) if no Knock-out Event has occurred: Notional Amount × Constant Percentage 1; or (B) if a Knock-out Event has occurred: [Notional Amount × Max (Floor Percentage, Gearing × Final Settlement Value + Constant Percentage 2)] [Notional Amount × Min (Cap Percentage, Gearing × Final Settlement Value + Constant Percentage 2)] **]** **[Multiple Final Payout – KIKO Reverse Convertible Securities** (A) if a Knock-out Event has occurred: [Notional Amount × Max (Constant Percentage 1 + Gearing 1 × Option 1; Constant Percentage 2)] [Notional Amount × Min (Constant Percentage 1 + Gearing 1 × Option 1; Constant Percentage 2)] (B) if no Knock-in Event and no Knock-out Event has occurred: Notional Amount × Constant Percentage 3; or (C) if a Knock-in Event has occurred: [Notional Amount × Max (Constant Percentage 4 + Gearing 2 × Option 2; Constant Percentage 5);] [Notional Amount × Min (Constant Percentage 4 + Gearing 2 × Option 2; Constant Percentage 5);] where: ["**Gearing 1**" is [•];] ["**Gearing 2**" is [•];] ["**Option 1**" means [Put 1] [Put Spread 1] [Call 1] [Call Spread 1] [EDS 1] [Forward 1];] ["**Option 2**" means [Put 2] [Put Spread 2] [Call 2] [Call Spread 2] [EDS 2] [Forward 2];] **<u>Option 1</u>** ["**EDS 1**" means Max (EDS Percentage 1, Min (Constant Percentage 6 – nEDS 1 × Loss Percentage 1, Constant Percentage 7));] ["**nEDS 1**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is [less than or equal to] [less than] [greater than or equal to] [greater than] EDS Barrier Percentage 1;] ["**EDS Percentage 1**" is [•];] ["**EDS Barrier Percentage 1**" is [•];] ["**Forward 1**" means Final Settlement Value 1 – Strike Percentage 1;] ["**Put 1**" means Max (Strike Percentage 1 – Final Settlement Value 1; Constant Percentage 8);] ["**Put Spread 1**" means Min (Max (Strike Percentage 1 – Final Settlement Value 1; Constant Percentage 9); Spread Percentage 1);] ["**Spread Percentage 1**" means [•];] ["**Call 1**" means Max (Final Settlement Value 1 - Strike Percentage 1; Constant Percentage 10);] ["**Call Spread 1**" means Min (Max (Final Settlement Value 1 - Strike Percentage 1; Constant Percentage 11); Spread Percentage 1)] ["**Strike Percentage 1**" means [•];]

		<u>Option 2</u> ["**EDS 2**" means Max (EDS Percentage 2, Min (Constant Percentage 12 – nEDS 2 × Loss Percentage 2, Constant Percentage 13));] ["**nEDS 2**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is [less than or equal to] [less than] [greater than or equal to] [greater than] EDS Barrier Percentage 2;] ["**EDS Percentage 2**" is [•];] ["**EDS Barrier Percentage 2**" is [•];] ["**Forward 2**" means Final Settlement Value 2 – Strike Percentage 2;] ["**Put 2**" means Max (Strike Percentage 2 – Final Settlement Value 2; Constant Percentage 14);] ["**Put Spread 2**" means Min (Max (Strike Percentage 2 – Final Settlement Value 2; Constant Percentage 15); Spread Percentage 2);] ["**Spread Percentage 2**" means [•];] ["**Call 2**" means Max (Final Settlement Value 2 - Strike Percentage 2; Constant Percentage 16);] ["**Call Spread 2**" means Min (Max (Final Settlement Value 2 - Strike Percentage 2; Constant Percentage 17); Spread Percentage 2)] ["**Strike Percentage 2**" means [•];] [provided that if [a Knock-out Event has occurred] [no Knock-in Event and no Knock-out Event has occurred] [a Knock-in Event has occurred] no Cash Settlement Amount, will be payable and Physical Delivery will apply.]] **[Multiple Final Payout – Plain Vanilla Call Securities** Notional Amount × [Constant Percentage 1 + Gearing 1 × Max (Gearing 2 × (Final Settlement Value - Strike Percentage), Floor Percentage)]] **[Multiple Final Payout – Plain Vanilla Call Spread Securities** Notional Amount × {Constant Percentage 1 + Gearing 1 × Min [Max (Gearing 2 × (Final Settlement Value - Strike Percentage); Floor Percentage), Cap Percentage]} **[Multiple Final Payout – Plain Vanilla Put Securities** Notional Amount × [Constant Percentage 1 + Gearing 1 × Max (Gearing 2 × (Strike Percentage - Final Settlement Value); Floor Percentage)] **[Multiple Final Payout – Plain Vanilla Put Spread Securities** Notional Amount × {Constant Percentage 1 + Gearing 1 × Min [Max (Gearing 2 × (Strike Percentage – Final Settlement Value); Floor Percentage) ; Cap Percentage]}] **[Multiple Final Payout – Plain Vanilla KI Digital Securities** (A) if a Knock-in Event has occurred: Notional Amount × (Constant Percentage 1 + Bonus Coupon); or (B) if no Knock-in Event has occurred: Notional Amount × Constant Percentage 2.] **[Multiple Final Payout – Plain Vanilla KO Digital Securities** (A) if a Knock-out Event has occurred: Notional Amount × (Constant Percentage 1 + Bonus Coupon); or (B) if no Knock-out Event has occurred:

Notional Amount × Constant Percentage 2.]

[Multiple Final Payout – Geared Knock-in Vanilla Call Securities

(A) if a Knock-in Event has occurred:

Notional Amount × (Constant Percentage 1 + Gearing 1× Max (Gearing 2 × Final Settlement Value - Strike Percentage), Floor Percentage)); or

(B) if no Knock-in Event has occurred:

Notional Amount × Constant Percentage 2]

[Multiple Final Payout – Geared Knock-out Vanilla Call Securities

(A) if no Knock-out Event has occurred:

Notional Amount × (Constant Percentage 1 + Gearing 1× Max (Gearing 2 × (Final Settlement Value - Strike Percentage), Floor Percentage)); or

(B) if a Knock-out Event has occurred:

Notional Amount × Constant Percentage 2]

[Multiple Final Payout – Standard Asian Securities

[Notional Amount × (Constant Percentage 1 + Gearing × Max (Sum (i = 1, 2, …, M) $W_{(i)}$ × (Min (Max (Final Settlement $Value_{(i)}$ - Strike $Percentage_{(i)}$, Local Floor $Percentage_{(i)}$) , Local Cap $Percentage_{(i)}$)) ; Floor Percentage))]

[Notional Amount × (Constant Percentage 1 + Gearing × Max (Sum (i = 1, 2, …, M) $W_{(i)}$ × Max (Final Settlement $Value_{(i)}$ - Strike $Percentage_{(i)}$, Local Floor $Percentage_{(i)}$) ; Floor Percentage))]

[Notional Amount × (Constant Percentage 1 + Gearing × Max (Sum (i = 1, 2, …, M) $W_{(i)}$ × (Min (Max (Strike $Percentage_{(i)}$ - Final Settlement $Value_{(i)}$, Local Floor $Percentage_{(i)}$) , Local Cap $Percentage_{(i)}$)) ; Floor Percentage))]

[Notional Amount × (Constant Percentage 1 + Gearing × Max (Sum (i = 1, 2, …, M) $W_{(i)}$ × Max (Strike $Percentage_{(i)}$ - Final Settlement $Value_{(i)}$, Local Floor $Percentage_{(i)}$) ; Floor Percentage))]

where:

["**Final Settlement Value$_{(i)}$** " means [●];]

["**Local Floor Percentage$_{(i)}$**" is [●];]

["**Local Cap Percentage$_{(i)}$**" is [●];]

["**M**" is [●];]

["**$W_{(i)}$**" is [●];]

["**Strike Percentage$_{(i)}$**" is [●];]

["**Standard Asian Call Local Cap**" is [●];]

["**Standard Asian Put Local Cap**" is [●].]]

[Multiple Final Payout – Standard Collared Asian Spread Securities

[Notional Amount × (Constant Percentage 1 + Gearing × Min (Max (Sum (i = 1, 2, …, M) $W_{(i)}$ × (Min (Max (Final Settlement $Value_{(i)}$ - Strike $Percentage_{(i)}$, Local Floor $Percentage_{(i)}$) , Local Cap $Percentage_{(i)}$)

		) ; Floor Percentage)) ; Cap Percentage)] [Notional Amount × (Constant Percentage 1 + Gearing × Min (Max (Sum (i = 1, 2, …, M) $W_{(i)}$ × Max (Final Settlement $Value_{(i)}$ - Strike $Percentage_{(i)}$, Local Floor $Percentage_{(i)}$) ; Floor Percentage)) ; Cap Percentage)] [Notional Amount × (Constant Percentage 1 + Gearing × Min (Max (Sum (i = 1, 2, …, M) $W_{(i)}$ × (Min (Max (Strike $Percentage_{(i)}$ - Final Settlement $Value_{(i)}$, Local Floor $Percentage_{(i)}$) , Local Cap $Percentage_{(i)}$)) ; Floor Percentage)) ; Cap Percentage)] [Notional Amount × (Constant Percentage 1 + Gearing × Min [Max (Sum (i = 1, 2, …, M) $W_{(i)}$ × Max (Strike $Percentage_{(i)}$ - Final Settlement $Value_{(i)}$, Local Floor $Percentage_{(i)}$) ; Floor Percentage)) ; Cap Percentage]] where: **["Final Settlement $Value_{(i)}$"** means [●];] **["Local Floor $Percentage_{(i)}$"** is [●];] **["Local Cap $Percentage_{(i)}$"** is [●];] **["M" is [●];]** **["$W_{(i)}$"** is [●];] **["Strike $Percentage_{(i)}$"** is [●];] **["Standard Collared Asian Call Local Cap"** is [●];] **["Standard Collared Asian Put Local Cap"** is [●].]] **[Multiple Final Payout Standard Himalaya Securities** Notional Amount × (Constant Percentage 1 + Gearing × Max (Sum (i = 1, 2, …, M) $W_{(i)}$ × Max (Best Lock $Value_{(i)}$ - Strike $Percentage_{(i)}$; Local Floor $Percentage_{(i)}$) ; Floor Percentage)) where: ["**BestLockValue$_{(i)}$**" means the highest Underlying Reference Value on MFP Valuation $Date_{(i)}$ of the Underlying Reference(s) in Relevant $Basket_{(i)}$;] ["**Local Floor $Percentage_{(i)}$"** is [●];] ["**M**" is [●];] ["**$W_{(i)}$**" is [●];] ["**Relevant $Basket_{(i)}$**" means, in respect of MFP Valuation $Date_{(i)}$, a Basket comprising each Underlying Reference in the $Basket_{(i-1)}$ but excluding the Underlying Reference in relation to $BestLockValue_{(i-1)}$. Relevant $Basket_{(i=1)}$ is [●].] ["**Strike $Percentage_{(i)}$**" is [●];]] **[Multiple Final Payout – Dispersion Securities** Notional Amount × [Constant Percentage 1 + Max (Global Floor Percentage; (1/K) × Sum (k=1, 2,…,K) Dispersion $Value_{(k)}$ – Strike Percentage)] where:

"**Dispersion Value$_{(k)}$**" means, in respect of the relevant Underlying Reference(k), the absolute value of: [Final Settlement Value$_{(k)}$ – Basket Value]

[Multiple Final Payout - 3-Step Knock-in Securities

(A) if the Final Settlement Condition is satisfied:

Notional Amount × (Constant Percentage 1 + FS Exit Rate); or

(B) if the Final Settlement Condition is not satisfied and no Knock-in Event has occurred:

Notional Amount × (Constant Percentage 2 + Coupon Airbag Percentage)

(C) if the Final Settlement Condition is not satisfied and a Knock-in Event has occurred:

Notional Amount × Max (Constant Percentage 3 + Gearing × Option; Floor Percentage)

where:

["**Option**" means [Put] [Put Spread] [Call] [Call Spread] [EDS] [Forward];]

["**EDS**" means Max (Floor Percentage, Min (Constant Percentage 4 – nEDS × Loss Percentage, Constant Percentage 5));]

["**Forward**" means Final Settlement Value – Strike Percentage;]

["**nEDS**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is [less than or equal to] [less than] [greater than or equal to] [greater than] EDS Barrier Percentage;]

["**Call**" means Max (Final Settlement Value - Strike Percentage; Constant Percentage 4);]

["**Call Spread**" means Min (Max (Final Settlement Value – Strike Percentage; Constant Percentage 4); Spread Percentage);]

["**Put**" means Max (Strike Percentage – Final Settlement Value; Constant Percentage 4);]

["**Put Spread**" means Min (Max (Strike Percentage – Final Settlement Value; Constant Percentage 4); Spread Percentage),]

[provided that if [the Final Settlement Condition is satisfied] [the Final Settlement Condition is not satisfied and no Knock-in Event has occurred] [the Final Settlement Condition is not satisfied and a Knock-in Event has occurred] no Cash Settlement Amount, will be payable and Physical Delivery will apply.]]

[Multiple Final Payout - 3-Step Plus Knock-in Securities

(A) if the Final Settlement Condition is satisfied:

[Notional Amount × Max (Constant Percentage 1 + Gearing 1 × Option 1; Floor Percentage)]

[Notional Amount × Min (Constant Percentage 1 + Gearing 1 × Option 1; Cap Percentage)] or

(B) if the Final Settlement Condition is not satisfied and no Knock-in Event has occurred:

Notional Amount × (Constant Percentage 2 + Coupon Airbag Percentage)

(C) if the Final Settlement Condition is not satisfied and a Knock-in Event has occurred:

[Notional Amount × Max (Constant Percentage 3 + Gearing 2 × Option 2; Floor Percentage)]

[Notional Amount × Min (Constant Percentage 3 + Gearing 2 × Option 2; Cap Percentage)]

where:

["**Option 1**" means [Put 1] [Put Spread 1] [Call 1] [Call Spread 1] [EDS 1] [Forward 1];]

["**Option 2**" means [Put 2] [Put Spread 2] [Call 2] [Call Spread 2] [EDS 2] [Forward 2];]

Option 1:

["**EDS 1**" means Max (EDS Percentage 1, Min (Constant Percentage 4 – nEDS 1 × Loss Percentage 1,

		Constant Percentage 5)); ["**nEDS 1**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is [less than or equal to] [less than] [greater than or equal to] [greater than] EDS Barrier Percentage 1;] ["**EDS Percentage 1**" is [•];] ["**EDS Barrier Percentage 1**" is [•];] ["**Forward 1**" means Final Settlement Value 1 – Strike Percentage 1;] ["**Put 1**" means Max (Strike Percentage 1 – Final Settlement Value 1; Constant Percentage 6);] ["**Put Spread 1**" means Min (Max (Strike Percentage 1 – Final Settlement Value 1; Constant Percentage 7); Spread Percentage 1); ["**Spread Percentage 1**" means [•];] ["**Call 1**" means Max (Final Settlement Value 1 - Strike Percentage 1; Constant Percentage 8);] ["**Call Spread 1**" means Min (Max (Final Settlement Value 1 - Strike Percentage 1; Constant Percentage 9); Spread Percentage 1)] ["**Strike Percentage 1**" means [•];] **<u>Option 2</u>** ["**EDS 2**" means Max (EDS Percentage 2, Min (Constant Percentage 10 – nEDS 2 × Loss Percentage 2, Constant Percentage 11));] ["**nEDS 2**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is [less than or equal to] [less than] [greater than or equal to] [greater than] EDS Barrier Percentage 2;] ["**EDS Percentage 2**" is [•];] ["**EDS Barrier Percentage 2**" is [•];] ["**Forward 2**" means Final Settlement Value 2 – Strike Percentage 2;] ["**Put 2**" means Max (Strike Percentage 2 – Final Settlement Value 2; Constant Percentage 12);] ["**Put Spread 2**" means Min (Max (Strike Percentage 2 – Final Settlement Value 2; Constant Percentage 13); Spread Percentage 2);] ["**Spread Percentage 2**" means [•];] ["**Call 2**" means Max (Final Settlement Value 2 - Strike Percentage 2; Constant Percentage 14);] ["**Call Spread 2**" means Min (Max (Final Settlement Value 2 - Strike Percentage 2; Constant Percentage 15); Spread Percentage 2)] ["**Strike Percentage 2**" means [•];] [provided that if [the Final Settlement Condition is satisfied] [the Final Settlement Condition is not satisfied and no Knock-in Event has occurred] [the Final Settlement Condition is not satisfied and a Knock-in Event has occurred] no Cash Settlement Amount, will be payable and Physical Delivery will apply.]] **[Multiple Final Payout - 3-Step Knock-out Securities** (A) if the Final Settlement Condition is satisfied: Notional Amount × (Constant Percentage 1 + FS Exit Rate); or (B) if the Final Settlement Condition is not satisfied and no Knock-out Event has occurred: Notional Amount × (Constant Percentage 2 + Coupon Airbag Percentage) (C) if the Final Settlement Condition is not satisfied and a Knock-out Event has occurred: Notional Amount × Max (Constant Percentage 3 + Gearing × Option; Floor Percentage)

		where: ["**Option**" means [Put] [Put Spread] [Call] [Call Spread] [EDS] [Forward];] ["**EDS**" means Max (Cap Percentage, Min (Constant Percentage 4 – nEDS × Loss Percentage, Constant Percentage 5));] ["**Forward**" means Final Settlement Value – Strike Percentage;] ["**nEDS**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is [less than or equal to] [less than] [greater than or equal to] [greater than] EDS Barrier Percentage;] ["**Call**" means Max (Final Settlement Value - Strike Percentage; Constant Percentage 4);] ["**Call Spread**" means Min (Max (Final Settlement Value - Strike Percentage; Constant Percentage 4); Spread Percentage).] ["**Put**" means Max (Strike Percentage – Final Settlement Value; Constant Percentage 4);] ["**Put Spread**" means Min (Max (Strike Percentage – Final Settlement Value; Constant Percentage 4); Spread Percentage).] [provided that if [the Final Settlement Condition is satisfied] [the Final Settlement Condition is not satisfied and no Knock-out Event has occurred] [the Final Settlement Condition is not satisfied and a Knock-out Event has occurred] no Cash Settlement Amount, will be payable and Physical Delivery will apply.]] **[Multiple Final Payout - 3-Step Plus Knock-out Securities** (A) if the Final Settlement Condition is satisfied: [Notional Amount × Max (Constant Percentage 1 + Gearing 1 × Option 1; Floor Percentage)] [Notional Amount × Min (Constant Percentage 1 + Gearing 1 × Option 1; Cap Percentage)] or (B) if the Final Settlement Condition is not satisfied and no Knock-out Event has occurred: Notional Amount × (Constant Percentage 2 + Coupon Airbag Percentage) (C) if the Final Settlement Condition is not satisfied and a Knock-out Event has occurred: [Notional Amount × Max (Constant Percentage 3 + Gearing 2 × Option 2; Floor Percentage)] [Notional Amount × Min (Constant Percentage 3 + Gearing 2 × Option 2; Cap Percentage)] where: ["**Option 1**" means [Put 1] [Put Spread 1] [Call 1] [Call Spread 1] [EDS 1] [Forward 1];] ["**Option 2**" means [Put 2] [Put Spread 2] [Call 2] [Call Spread 2] [EDS 2] [Forward 2];] **<u>Option 1</u>** ["**EDS 1**" means Max (EDS Percentage 1, Min (Constant Percentage 4 – nEDS 1 × Loss Percentage 1, Constant Percentage 5)); ["**nEDS 1**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is [less than or equal to] [less than] [greater than or equal to] [greater than] EDS Barrier Percentage 1;] ["**EDS Percentage 1**" is [•];] ["**EDS Barrier Percentage 1**" is [•];] ["**Forward 1**" means Final Settlement Value 1 – Strike Percentage 1;] ["**Put 1**" means Max (Strike Percentage 1 – Final Settlement Value 1; Constant Percentage 6);] ["**Put Spread 1**" means Min (Max (Strike Percentage 1 – Final Settlement Value 1; Constant Percentage 7); Spread Percentage 1); ["**Spread Percentage 1**" means [•];]

		["**Call 1**" means Max (Final Settlement Value 1 - Strike Percentage 1; Constant Percentage 8);] ["**Call Spread 1**" means Min (Max (Final Settlement Value 1 - Strike Percentage 1; Constant Percentage 9); Spread Percentage 1)] ["**Strike Percentage 1**" means [•];] **<u>Option 2</u>** ["**EDS 2**" means Max (EDS Percentage 2, Min (Constant Percentage 10 – nEDS 2 × Loss Percentage 2, Constant Percentage 11));] ["**nEDS 2**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is [less than or equal to] [less than] [greater than or equal to] [greater than] EDS Barrier Percentage 2;] ["**EDS Percentage 2**" is [•];] ["**EDS Barrier Percentage 2**" is [•];] ["**Forward 2**" means Final Settlement Value 2 – Strike Percentage 2;] ["**Put 2**" means Max (Strike Percentage 2 – Final Settlement Value 2; Constant Percentage 12);] ["**Put Spread 2**" means Min (Max (Strike Percentage 2 – Final Settlement Value 2; Constant Percentage 13); Spread Percentage 2);] ["**Spread Percentage 2**" means [•];] ["**Call 2**" means Max (Final Settlement Value 2 - Strike Percentage 2; Constant Percentage 14);] ["**Call Spread 2**" means Min (Max (Final Settlement Value 2 - Strike Percentage 2; Constant Percentage 15); Spread Percentage 2)] ["**Strike Percentage 2**" means [•];] [provided that if [the Final Settlement Condition is satisfied] [the Final Settlement Condition is not satisfied and no Knock-out Event has occurred] [the Final Settlement Condition is not satisfied and a Knock-out Event has occurred] no Cash Settlement Amount, will be payable and Physical Delivery will apply.]]] **[Multiple Final Payout – 4-Step Securities** (A) if the Final Settlement Condition is satisfied: Notional Amount × (Constant Percentage 1+ FS Exit Rate) (B) if the Final Settlement Condition is not satisfied, a Knock-out Event has occurred and no Knock-In Event has occurred: Notional Amount × (Constant Percentage 2 + Coupon Airbag Percentage 1); or (C) if the Final Settlement Condition is not satisfied, no Knock-out Event has occurred and no Knock-in Event has occurred: Notional Amount × (Constant Percentage 3 + Coupon Airbag Percentage 2); or (D) if the Final Settlement Condition is not satisfied and if no Knock-out Event has occurred but a Knock-in Event has occurred: Notional Amount × Max (Constant Percentage 4 + Gearing × Option; Floor Percentage) where: ["**Option**" means [Put] [Put Spread] [Call] [Call Spread] [Forward];] ["**Forward**" means Final Settlement Value – Strike Percentage;] ["**Call**" means Max (Final Settlement Value – Strike Percentage; Constant Percentage 5);] ["**Call Spread**" means Min (Max (Final Settlement Value - Strike Percentage; Constant Percentage 5); Spread Percentage),] ["**Put**" means Max (Strike Percentage – Final Settlement Value; Constant Percentage 5);]

		["**Put Spread**" means Min (Max (Strike Percentage – Final Settlement Value; Constant Percentage 5); Cap Percentage).]] **[Multiple Final Payout - Standard 3-Step Knock-in Securities** (A) If FS Barrier Value is greater than the Final Settlement Condition Level: Notional Amount × (Fixed Percentage 1 + FS Exit Rate); or (B) If FS Barrier Value is less than or equal to the Final Settlement Condition Level and no Knock-in Event has occurred: Notional Amount × (Fixed Percentage 2 + Coupon Airbag Percentage); or (C) If FS Barrier Value is less than or equal to the Final Settlement Condition Level and a Knock-in Event has occurred: Notional Amount × Min (Fixed Percentage 3, Gearing × Final Settlement Value) where: ["**Fixed Percentage 1**" is [•];] ["**Fixed Percentage 2**" is [•];] ["**Fixed Percentage 3**" is [•].]] **[Multiple Final Payout - Standard 3-Step Knock-out Securities** (A) If FS Barrier Value is lower than the Final Settlement Condition Level: Notional Amount × (Fixed Percentage 1 + FS Exit Rate); or (B) If FS Barrier Value is greater than or equal to the Final Settlement Condition Level and no Knock-out Event has occurred: Notional Amount × (Fixed Percentage 2 + Coupon Airbag Percentage); or (C) If FS Barrier Value is greater than or equal to the Final Settlement Condition Level and a Knock-out Event has occurred: Notional Amount × Min (Fixed Percentage 3, Gearing × Final Settlement Value) where: ["**Fixed Percentage 1**" is [•];] ["**Fixed Percentage 2**"is [•];] ["**Fixed Percentage 3**" is [•].]] **[Multiple Final Payout - Standard 2-Step Barrier Down Securities** (A) If FS Barrier Value is greater than the Final Settlement Condition Level: Notional Amount × (Fixed Percentage 1 + FS Exit Rate); or (B) If FS Barrier Value is less than or equal to the Final Settlement Condition Level: Notional Amount × Min (Fixed Percentage 2, Final Settlement Value) where: ["**Fixed Percentage 1**" is [•];] ["**Fixed Percentage 2**" is [•].]] **[Multiple Final Payout - Standard 2-Step Barrier Up Securities** (A) If FS Barrier Value is less than the Final Settlement Condition Level: Notional Amount × (Fixed Percentage 1 + FS Exit Rate); or

		(B) If FS Barrier Value is greater than or equal to the Final Settlement Condition Level: Notional Amount × Min (Fixed Percentage 2, Final Settlement Value) where: ["**Fixed Percentage 1**" is [•];] ["**Fixed Percentage 2**" is [•].]] **[Multiple Final Payout - 2-Step Knock-in Securities** (A) if the Knock-in Event has not occurred: Notional Amount × (Constant Percentage 1 + FS Exit Rate); or (B) if a Knock-in Event has occurred: Notional Amount × Max (Constant Percentage 2 + Gearing × Option; Floor Percentage) where: ["**Option**" means [Put] [Put Spread] [Call] [Call Spread] [EDS] [Forward];] ["**EDS**" means Max (Floor Percentage, Min (Constant Percentage 3 – nEDS × Loss Percentage, Constant Percentage 4));] ["**Forward**" means Final Settlement Value – Strike Percentage;] ["**nEDS**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is [less than or equal to] [less than] [greater than or equal to] [greater than] EDS Barrier Percentage;] ["**Call**" means Max (Final Settlement Value - Strike Percentage; Constant Percentage 3);] ["**Call Spread**" means Min (Max (Final Settlement Value – Strike Percentage; Constant Percentage 3); Spread Percentage);] ["**Put**" means Max (Strike Percentage – Final Settlement Value; Constant Percentage 3);] ["**Put Spread**" means Min (Max (Strike Percentage – Final Settlement Value; Constant Percentage 3); Spread Percentage).] [provided that if [the Knock-in Event has not occurred] [a Knock-in Event has occurred] no Cash Settlement Amount, will be payable and Physical Delivery will apply.]] **[Multiple Final Payout - 2-Step Knock-out Securities** (A) if the Knock-out Event has not occurred: Notional Amount × (Constant Percentage 1 + FS Exit Rate); or (B) if a Knock-out Event has occurred: Notional Amount × Max (Constant Percentage 2 + Gearing × Option; Floor Percentage) **]** where: ["**Option**" means [Put] [Put Spread] [Call] [Call Spread] [EDS] [Forward];] ["**EDS**" means Max (Floor Percentage, Min (Constant Percentage 3 – nEDS × Loss Percentage, Constant Percentage 4));] ["**Forward**" means Final Settlement Value – Strike Percentage;] ["**nEDS**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is [less than or equal to] [less than] [greater than or equal to] [greater than] EDS Barrier Percentage;] ["**Call**" means Max (Final Settlement Value - Strike Percentage; Constant Percentage 3);] ["**Call Spread**" means Min (Max (Final Settlement Value – Strike Percentage; Constant Percentage 3); Spread Percentage);]

		["**Put**" means Max (Strike Percentage – Final Settlement Value; Constant Percentage 3);] ["**Put Spread**" means Min (Max (Strike Percentage – Final Settlement Value; Constant Percentage 3); Spread Percentage)] [provided that if [the Knock-out Event has not occurred] [a Knock-out Event has occurred] no Cash Settlement Amount, will be payable and Physical Delivery will apply.]] **[Multiple Final Payout - Geared Call Performance Securities** [Notional Amount × {Constant Percentage 1 + [Final Settlement Value + Additional Gearing × Max (Final Settlement Value - Strike Percentage, Floor Percentage)] }] [Notional Amount × {Constant Percentage 1 + Min [Final Settlement Value + Additional Gearing × Max (Final Settlement Value - Strike Percentage, Floor Percentage), Cap Percentage] }] **[Multiple Final Payout - Multi Performance Securities** [Notional Amount × { Fixed Percentage + [Sum (n = 1, 2, …, N) $W_{(n)}$ × (Constant $Percentage_{(n)}$ + $Gearing_{(n)}$ × $Option_{(n)}$)] }] [Notional Amount × { Fixed Percentage + Min [Sum (n = 1, 2, …, N) $W_{(n)}$ × (Constant $Percentage_{(n)}$ + $Gearing_{(n)}$ × $Option_{(n)}$) , Global Cap] }] [Notional Amount × { Fixed Percentage + Max [Sum (n = 1, 2, …, N) $W_{(n)}$ × (Constant $Percentage_{(n)}$ + $Gearing_{(n)}$ × $Option_{(n)}$) , Global Floor] }] [Notional Amount × { Fixed Percentage + Min [Max [Sum (n = 1, 2, …, N) $W_{(n)}$ × (Constant $Percentage_{(n)}$ + $Gearing_{(n)}$ × $Option_{(n)}$) , Global Floor] , Global Cap] }] where: ["**Constant Percentage$_n$**" means [●];] ["**Gearing$_n$**" is [●];] ["**Generic Percentage$_{(n,1)}$** " [●];] ["**Generic Percentage$_{(n,2)}$** " is [●];] ["**Floor Percentage$_{(n)}$** " is [●];] ["**Loss Percentage$_{(n)}$** " is [●];] ["**n**" is [●];] ["**Final Settlement Value$_{(n)}$** " means [●];] ["**Strike Percentage$_{(n)}$**" is [●];] ["**Spread Percentage$_{(n)}$**" is [●];] ["**$W_{(n)}$**" is [●];] ["**Global Cap**" is [●];] ["**Global Floor**" is [●];] ["**Option$_n$**" means [$Put_{(n)}$] [Put $Spread_{(n)}$] [$Call_{(n)}$] [Call $Spread_{(n)}$] [$EDS_{(n)}$] [$Forward_{(n)}$];] ["**$EDS_{(n)}$**" means Max (Floor $Percentage_{(n)}$, Min (Generic $Percentage_{(n,1)}$ – $nEDS_{(n)}$ × Loss $Percentage_{(n)}$, Generic Percentage $_{(n,2)}$));] ["**$Forward_{(n)}$**" means Final Settlement $Value_{(n)}$ – Strike $Percentage_{(n)}$;]

		["**nEDS$_{(n)}$**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is [less than or equal to] [less than] [greater than or equal to] [greater than], EDS Barrier Percentage$_{(n)}$;] ["**EDS Barrier Percentage$_{(n)}$**" is [●];] ["**Call$_{(n)}$**" means Max (Final Settlement Value$_{(n)}$ - Strike Percentage$_{(n)}$; Generic Percentage$_{(n,1)}$);] ["**Call Spread$_{(n)}$**" means Min (Max (Final Settlement Value$_{(n)}$ – Strike Percentage$_{(n)}$; Generic Percentage$_{(n,1)}$); Spread Percentage$_{(n)}$);] ["**Put$_{(n)}$**" means Max (Strike Percentage$_{(n)}$ – Final Settlement Value$_{(n)}$; Generic Percentage$_{(n,1)}$);] ["**Put Spread$_{(n)}$**" means Min (Max (Strike Percentage$_{(n)}$ – Final Settlement Value$_{(n)}$; Generic Percentage$_{(n,1)}$); Spread Percentage$_{(n)}$)]] **[Multiple Final Payout – (Capped) Multi Knock-Out Bonus Performance Securities** **[** (A) if a Knock-out Event has occurred: Notional Amount × (Constant Percentage 1 + Final Settlement Value 1); or (B) if no Knock-out Event has occurred: Notional Amount × (Constant Percentage 1 + Max (Bonus Percentage, Final Settlement Value 2)) **]** **[** (A) if a Knock-out Event has occurred: Notional Amount × [Constant Percentage 1 + Final Settlement Value 1 – Max (Final Settlement Value 2 - Cap Percentage 1, Floor Percentage)]; or (B) if no Knock-out Event has occurred: Notional Amount × [Constant Percentage 1 + Max (Bonus Percentage, Final Settlement Value 3) – Max (Final Settlement Value 4 - Cap Percentage 2, Floor Percentage)]**]** **[Multiple Final Payout – (Capped) Multi Knock-In Bonus Performance Securities** [(A) if a Knock-in Event has occurred: Notional Amount × (Constant Percentage 1 + Final Settlement Value 1); or (B) if no Knock-in Event has occurred: Notional Amount × (Constant Percentage 1 + Max (Bonus Percentage, Final Settlement Value 2)).] [(A) if a Knock-in Event has occurred: Notional Amount × [Constant Percentage 1 + Final Settlement Value 1 - Max (Final Settlement Value 2 - Cap Percentage 1, Floor Percentage 1)]; or (B) if no Knock-in Event has occurred: Notional Amount × [Constant Percentage 1 + Max (Bonus Percentage, Final Settlement Value 3) - Max (Final Settlement Value 4 - Cap Percentage 2, Floor Percentage 2)]] [**Multiple Final Payout – 2-Step KI Multi Bonus Securities**

		(A) if the Knock-in Event has not occurred: Notional Amount × Gearing 1 × (Constant Percentage 1 + Bonus Percentage 1 + Gearing 2 × Option – Bonus Percentage 2); or (B) if a Knock-in Event has occurred: Notional Amount × Gearing 3 × Max (Constant Percentage 2 + Gearing 4 × Option; Floor Percentage) where: ["**Option**" means [Put] [Put Spread] [Call] [Call Spread] [EDS] [Forward];] ["**EDS**" means Max (Floor Percentage, Min (Constant Percentage 3 – nEDS × Loss Percentage, Constant Percentage 4));] ["**Forward**" means Final Settlement Value – Strike Percentage;] ["**nEDS**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is [less than or equal to] [less than] [greater than or equal to] [greater than] EDS Barrier Percentage;] ["**Call**" means Max (Final Settlement Value - Strike Percentage; Constant Percentage 3);] ["**Call Spread**" means Min (Max (Final Settlement Value – Strike Percentage; Constant Percentage 3); Spread Percentage);] ["**Put**" means Max (Strike Percentage – Final Settlement Value; Constant Percentage 3);] ["**Put Spread**" means Min (Max (Strike Percentage – Final Settlement Value; Constant Percentage 3); Spread Percentage)] [provided that if [the Knock-in Event has not occurred] [a Knock-in Event has occurred] no Cash Settlement Amount, will be payable and Physical Delivery will apply.]] [**Multiple Final Payout – 3-Step Multi Bonus Securities** (A) if the Final Settlement Condition is satisfied and no Knock-in Event has occurred: Notional Amount × Gearing 1 × (Constant Percentage 1 + Bonus Percentage 1 + Gearing 2 × Option – Bonus Percentage 2) (B) if the Final Settlement Condition is not satisfied and no Knock-in Event has occurred: Notional Amount × Gearing 3 × (Constant Percentage 2 + Bonus Percentage 3 + Gearing 4 × Option – Bonus Percentage 4) (C) if the Final Settlement Condition is not satisfied and a Knock-in Event has occurred: Notional Amount × Gearing 5 × Max (Constant Percentage 3 + Gearing 6 × Option; Bonus Floor Percentage) where: ["**Bonus Floor Percentage**" means [•];] ["**Option**" means [Put] [Put Spread] [Call] [Call Spread] [EDS] [Forward];] ["**EDS**" means Max (Floor Percentage, Min (Constant Percentage 5 – nEDS × Loss Percentage, Constant Percentage 5));] ["**Forward**" means Final Settlement Value – Strike Percentage;] ["**nEDS**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is [less than or equal to] [less than] [greater than or equal to] [greater than] EDS Barrier Percentage;] ["**Call**" means Max (Final Settlement Value - Strike Percentage; Constant Percentage 4);]

		["**Call Spread**" means Min (Max (Final Settlement Value – Strike Percentage; Constant Percentage 4); Spread Percentage);] ["**Put**" means Max (Strike Percentage – Final Settlement Value; Constant Percentage 4);] ["**Put Spread**" means Min (Max (Strike Percentage – Final Settlement Value; Constant Percentage 4); Spread Percentage)] [provided that if [the Final Settlement Condition is satisfied and no Knock-in Event has occurred] [the Final Settlement Condition is not satisfied and no Knock-in Event has occurred] [the Final Settlement Condition is not satisfied and a Knock-in Event has occurred] no Cash Settlement Amount, will be payable and Physical Delivery will apply.]] **[Multiple Final Payout – 3-Step Flexi Bonus Securities** (A) if the Final Settlement Condition is satisfied and no Knock-in Event has occurred: Notional Amount × Gearing 1 × (Constant Percentage 1 + Bonus Percentage 1 + Gearing 2 × Option 1 – Bonus Percentage 2) (B) if the Final Settlement Condition is not satisfied and no Knock-in Event has occurred: Notional Amount × Gearing 3 × (Constant Percentage 2 + Bonus Percentage 3 + Gearing 4 × Option 2 – Bonus Percentage 4) (C) if the Final Settlement Condition is not satisfied and a Knock-in Event has occurred: Notional Amount × Gearing 5 × Max (Constant Percentage 3 + Gearing 6 × Option 3; Bonus Floor Percentage) where: ["**Option 1**" means [Put 1] [Put Spread 1] [Call 1] [Call Spread 1] [EDS 1] [Forward 1];] ["**Option 2**" means [Put 2] [Put Spread 2] [Call 2] [Call Spread 2] [EDS 2] [Forward 2];] ["**Option 3**" means [Put 3] [Put Spread 3] [Call 3] [Call Spread 3] [EDS 3] [Forward 3];] **<u>[Option 1</u>** ["**EDS 1**" Max (Floor Percentage 1, Min (Constant Percentage 4 – nEDS 1 × Loss Percentage 1, Constant Percentage 5));] ["**Forward 1**" means Final Settlement Value 1– Strike Percentage 1;] ["**nEDS 1**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value 1 is [less than or equal to] [less than] [greater than or equal to] [greater than] EDS Barrier Percentage 1;] ["**EDS Barrier Percentage 1**" is [•];] ["**Call 1**" means Max (Final Settlement Value 1 - Strike Percentage 1; Constant Percentage 4);] ["**Call Spread 1**" means Min (Max (Final Settlement Value 1 – Strike Percentage 1; Constant Percentage 4); Spread Percentage 1);] ["**Put 1**" means Max (Strike Percentage 1– Final Settlement Value 1; Constant Percentage 4);] ["**Put Spread 1**" means Min (Max (Strike Percentage 1 – Final Settlement Value 1; Constant Percentage 4); Spread Percentage 1)]; **<u>[Option 2</u>** ["**EDS 2**" means Max (Floor Percentage 2, Min (Constant Percentage 6 – nEDS 2× Loss Percentage 2, Constant Percentage 7)); ["**Forward 2**" means Final Settlement Value 2 – Strike Percentage 2;]

		["**nEDS 2**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value 2 is [less than or equal to] [less than] [greater than or equal to] [greater than] EDS Barrier Percentage 2;] ["**EDS Barrier Percentage 2**" is [•];] ["**Call 2**" means Max (Final Settlement Value 2 - Strike Percentage 2; Constant Percentage 6);] ["**Call Spread 2**" means Min (Max (Final Settlement Value 2– Strike Percentage 2; Constant Percentage 6); Spread Percentage 2);] ["**Put 2**" means Max (Strike Percentage 2 – Final Settlement Value 2; Constant Percentage 6);] ["**Put Spread 2**" means Min (Max (Strike Percentage 2 – Final Settlement Value 2; Constant Percentage 6); Spread Percentage 2)] **[Option 3** ["**EDS 3**" means Max (Floor Percentage 3, Min (Constant Percentage 8 – nEDS 3× Loss Percentage, Constant Percentage 9)); ["**Forward 3**" means Final Settlement Value 3 – Strike Percentage 3;] ["**nEDS 3**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value 3 is [less than or equal to] [less than] [greater than or equal to] [greater than] EDS Barrier Percentage 3;] ["**EDS Barrier Percentage 3**" is [•];] ["**Call 3**" means Max (Final Settlement Value 3 - Strike Percentage 3; Constant Percentage 8);] ["**Call Spread 3**" means Min (Max (Final Settlement Value 3– Strike Percentage 3; Constant Percentage 8); Spread Percentage 3);] ["**Put 3**" means Max (Strike Percentage 3 – Final Settlement Value 3; Constant Percentage 8);] ["**Put Spread 3**" means Min (Max (Strike Percentage 3 – Final Settlement Value 3; Constant Percentage 8); Spread Percentage 3)] [provided that if [the Final Settlement Condition is satisfied and no Knock-in Event has occurred] [the Final Settlement Condition is not satisfied and no Knock-in Event has occurred] [the Final Settlement Condition is not satisfied and a Knock-in Event has occurred] no Cash Settlement Amount, will be payable and Physical Delivery will apply.]] **[Multiple Final Payout – (Capped) Knock-Out Bonus Performance Securities** **[** (A) if a Knock-out Event has occurred: Notional Amount × (Constant Percentage 1 + Final Settlement Value 2); or (B) if no Knock-out Event has occurred: Notional Amount × (Constant Percentage 2 + Max (Bonus Percentage, Final Settlement Value 1)). **]** **[** (A) if a Knock-out Event has occurred: Notional Amount × (Constant Percentage 1 + Final Settlement Value 2 - Max (Final Settlement Value 2 - Cap Percentage 1, Floor Percentage 1)); or (B) if no Knock-out Event has occurred: Notional Amount × [Constant Percentage 2 + Max (Bonus Percentage, Final Settlement Value 1) - Max (Final Settlement Value 1 - Cap Percentage 2, Floor Percentage 2)] **]**

		[Multiple Final Payout – (Capped) Knock – In Bonus Performance Securities **[** (A) if a Knock-in Event has occurred: Notional Amount × (Constant Percentage 1 + Final Settlement Value 2); or (B) if no Knock-in Event has occurred: Notional Amount × (Constant Percentage 2 + Max (Bonus Percentage, Final Settlement Value 1)). **]** **[** (A) if a Knock-in Event has occurred: Notional Amount × (Constant Percentage 1 + Final Settlement Value 2 - Max (Final Settlement Value 2 - Cap Percentage 1, Floor Percentage 1)); or (B) if no Knock-in Event has occurred: Notional Amount × [Constant Percentage 2 + Max (Bonus Percentage, Final Settlement Value 1) - Max (Final Settlement Value 1 - Cap Percentage 2, Floor Percentage 2)] **]** **[Multiple Final Payout – Leveraged Performance Securities** **[** (A) if a Knock-out Event has occurred: Notional Amount × { Constant Percentage 1 + Constant Percentage 2 + [Final Settlement Value + Gearing 1 × Max (Final Settlement Value - Strike Percentage, Floor Percentage)] }; or (B) if no Knock-out Event has occurred: Notional Amount × { Constant Percentage 3+ Constant Percentage 4 + [Max (Fixed Percentage 1, Fixed Percentage 2 + Gearing 2 × (Final Settlement Value – Strike Percentage))] } **]** **[** (A) if a Knock-out Event has occurred: Notional Amount × (Constant Percentage 1 + Constant Percentage 2 + Min [Cap Percentage 1, [Final Settlement Value + Gearing 1 × Max (Final Settlement Value - Strike Percentage, Floor Percentage)]]); or (B) if no Knock-out Event has occurred: Notional Amount × (Constant Percentage 3+ Constant Percentage 4 + Min [Cap Percentage 2, [Max (Fixed Percentage 1, Fixed Percentage 2 + Gearing 2 × (Final Settlement Value - Strike Percentage))]]) **]** where: ["**Gearing 1**" is [•];] ["**Gearing 2**" is [•];] ["**Fixed Percentage 1**" is [•];] ["**Fixed Percentage 2**" is [•].]] [**Multiple Final Payout – Twin-Win Securities** [

		(A) if a Knock-out Event has occurred: Notional Amount × (Constant Percentage 1 + Max [Floor Percentage 1, Gearing 1 × Final Settlement Value]); or (B) if no Knock-out Event has occurred: Notional Amount × (Constant Percentage 2 + Max [Max (Gearing 2 × (Strike Percentage - Final Settlement Value), Gearing 3 × (Final Settlement Value - Strike Percentage)), Floor Percentage 2])] [(A) if a Knock-out Event has occurred: Notional Amount × (Constant Percentage 1 + [Min (Cap Percentage 1, Gearing 1 × Final Settlement Value)]); or (B) if no Knock-out Event has occurred Notional Amount × { Constant Percentage 2 + Max { Max [Gearing 2 × (Strike Percentage – Final Settlement Value), Min (Cap Percentage 2 – Strike Percentage, Gearing 3 × (Final Settlement Value – Strike Percentage))], Floor Percentage } } **]** where: ["**Gearing 1**" is [●];] ["**Gearing 2**" is [●];] ["**Gearing 3**" is [●].] **[Multiple Final Payout – Knock-In Outperformance Securities** [(A) if a Knock-in Event has occurred: Notional Amount × (Constant Percentage 1 + Final Settlement Value + Additional Gearing × Max (Final Settlement Value – Strike Percentage, Floor Percentage)); or (B) if no Knock-in Event has occurred: Notional Amount × (Constant Percentage 2 + Final Settlement Value)] **[** (A) if a Knock-in Event has occurred: Notional Amount × (Constant Percentage 1 + [Min (Cap Percentage 1, Final Settlement Value + Additional Gearing × Max (Final Settlement Value - Strike Percentage, Floor Percentage))]); or (B) if no Knock-in Event has occurred: Notional Amount × (Constant Percentage 2 + [Min (Cap Percentage 2, Final Settlement Value)]). **]** **[Multiple Final Payout – Flexi Performance Securities** Notional Amount × (Constant Percentage 1 + Gearing Up × Option Up + Gearing Down × Option Down) where: ["**Down Call**" means Max (Down Final Settlement Value – Down Strike Percentage; Down Floor

		Percentage);] ["**Down Call Spread**" means Min (Max (Down Final Settlement Value – Down Strike Percentage; Down Floor Percentage); Down Cap Percentage);] ["**Down Forward**" means Down Final Settlement Value – Down Strike Percentage;] ["**Down Put**" means Max (Down Strike Percentage – Down Final Settlement Value; Down Floor Percentage);] ["**Down Put Spread**" means Min (Max (Down Strike Percentage – Down Final Settlement Value; Down Floor Percentage); Down Cap Percentage);] ["**Option Down**" means [Down Put] [Down Put Spread] [Down Forward] [Down Call] [Down Call Spread];] ["**Option Up**" means [Up Call] [Up Call Spread] [Up Forward] [Up Put] [Up Put Spread];] ["**Up Call**" means Max (Up Final Settlement Value – Up Strike Percentage; Up Floor Percentage);] ["**Up Call Spread**" means Min (Max (Up Final Settlement Value – Up Strike Percentage; Up Floor Percentage); Up Cap Percentage);] ["**Up Forward**" means Up Final Settlement Value – Up Strike Percentage;] ["**Up Put**" means Max (Up Strike Percentage – Up Final Settlement Value; Up Floor Percentage);] ["**Up Put Spread**" means Min (Max (Up Strike Percentage – Up Final Settlement Value; Up Floor Percentage); Up Cap Percentage).]] **[Multiple Final Payout – Hyper-Flexi Performance Securities** Notional Amount × (Constant Percentage 1 + Gearing 1 × Option Up + Gearing 2 × Option Down + Gearing 3 × Option Down + Gearing 4 × Option Up) where: ["**Gearing 1**" means [•];] ["**Gearing 2**" means [•];] ["**Gearing 3**" means [•];] ["**Gearing 4**" means [•];] ["**Down Call**" means Max (Down Final Settlement Value – Down Strike Percentage; Down Floor Percentage);] ["**Down Call Spread**" means Min (Max (Down Final Settlement Value – Down Strike Percentage; Down Floor Percentage); Down Cap Percentage);] ["**Down Forward**" means Down Final Settlement Value – Down Strike Percentage;] ["**Down Put**" means Max (Down Strike Percentage – Down Final Settlement Value; Down Floor Percentage);] ["**Down Put Spread**" means Min (Max (Down Strike Percentage – Down Final Settlement Value; Down Floor Percentage); Down Cap Percentage);] ["**Option Down**" means [Down Put] [Down Put Spread] [Down Forward] [Down Call] [Down Call Spread];] ["**Option Up**" means [Up Call] [Up Call Spread] [Up Forward] [Up Put] [Up Put Spread];] ["**Up Call**" means Max (Up Final Settlement Value – Up Strike Percentage; Up Floor Percentage);] ["**Up Call Spread**" means Min (Max (Up Final Settlement Value – Up Strike Percentage; Up Floor Percentage); Up Cap Percentage);] ["**Up Forward**" means Up Final Settlement Value – Up Strike Percentage;] ["**Up Put**" means Max (Up Strike Percentage – Up Final Settlement Value; Up Floor Percentage);] ["**Up Put Spread**" means Min (Max (Up Strike Percentage – Up Final Settlement Value; Up Floor

		Percentage); Up Cap Percentage).]] **[Multiple Final Payout – Flexi Knock-In Performance Securities** (A) if no Knock-in Event has occurred: Notional Amount × (Constant Percentage 1 + Gearing Up × Option Up); or (B) if a Knock-in Event has occurred: Notional Amount × (Constant Percentage 2+ Gearing Down × Option Down) where: ["**Down Call**" means Max (Down Final Settlement Value – Down Strike Percentage; Down Floor Percentage);] ["**Down Call Spread**" means Min (Max (Down Final Settlement Value – Down Strike Percentage; Down Floor Percentage);] Down Cap Percentage);] ["**Down Forward**" means Down Final Settlement Value – Down Strike Percentage;] ["**Down Put**" means Max (Down Strike Percentage – Down Final Settlement Value; Down Floor Percentage);] ["**Down Put Spread**" means Min (Max (Down Strike Percentage – Down Final Settlement Value; Down Floor Percentage); Down Cap Percentage);] ["**Option Down**" means [Down Put] [Down Put Spread] [Down Forward] [Down Call] [Down Call Spread];] ["**Option Up**" means [Up Call] [Up Call Spread] [Up Forward] [Up Put] [Up Put Spread];] ["**Up Call**" means Max (Up Final Settlement Value – Up Strike Percentage; Up Floor Percentage);] ["**Up Call Spread**" means Min (Max (Up Final Settlement Value – Up Strike Percentage; Up Floor Percentage); Up Cap Percentage);] ["**Up Forward**" means Up Final Settlement Value – Up Strike Percentage;] ["**Up Put**" means Max (Up Strike Percentage – Up Final Settlement Value; Up Floor Percentage);] ["**Up Put Spread**" means Min (Max (Up Strike Percentage – Up Final Settlement Value; Up Floor Percentage); Up Cap Percentage).]] **[Multiple Final Payout – Flexi Knock-Out Performance Securities** (A) if no Knock-out Event has occurred: Notional Amount × (Constant Percentage 1 + Gearing Down × Option Down); or (B) if a Knock-out Event has occurred: Notional Amount × (Constant Percentage 2 + Gearing Up × Option Up) where: ["**Down Call**" means Max (Down Final Settlement Value – Down Strike Percentage; Down Floor Percentage);] ["**Down Call Spread**" means Min (Max (Down Final Settlement Value – Down Strike Percentage; Down Floor Percentage); Down Cap Percentage);] ["**Down Forward**" means Down Final Settlement Value – Down Strike Percentage;] ["**Down Put**" means Max (Down Strike Percentage – Down Final Settlement Value; Down Floor Percentage);] ["**Down Put Spread**" means Min (Max (Down Strike Percentage – Down Final Settlement Value; Down Floor Percentage); Down Cap Percentage);] ["**Option Down**" means [Down Put] [Down Put Spread] [Down Forward] [Down Call] [Down Call Spread];]

		["**Option Up**" means [Up Call] [Up Call Spread] [Up Forward] [Up Put] [Up Put Spread];] ["**Up Call**" means Max (Up Final Settlement Value – Up Strike Percentage; Up Floor Percentage);] ["**Up Call Spread**" means Min (Max (Up Final Settlement Value – Up Strike Percentage; Up Floor Percentage); Up Cap Percentage);] ["**Up Forward**" means Up Final Settlement Value – Up Strike Percentage;] ["**Up Put**" means Max (Up Strike Percentage – Up Final Settlement Value; Up Floor Percentage);] ["**Up Put Spread**" means Min (Max (Up Strike Percentage – Up Final Settlement Value; Up Floor Percentage); Up Cap Percentage).]] **[Multiple Final Payout – Hyper-Flexi Knock-In Performance Securities** (A) if no Knock-in Event has occurred: Notional Amount × (Constant Percentage 1 + Gearing Up 1 × Option Up 1 + Gearing Down 1 × Option Down 1); or (B) if a Knock-in Event has occurred: Notional Amount × (Constant Percentage 2 + Gearing Up 2 × Option Up 2 + Gearing Down 2 × Option Down 2) where: ["**Gearing Up 1**" means [•];] ["**Gearing Up 2**" means [•];] ["**Gearing Down 1**" means [•]]; ["**Gearing Down 2**" means [•];] ["**Down Call**" means Max (Down Final Settlement Value – Down Strike Percentage; Down Floor Percentage);] ["**Down Call Spread**" means Min (Max (Down Final Settlement Value – Down Strike Percentage; Down Floor Percentage); Down Cap Percentage);] ["**Down Forward**" means Down Final Settlement Value – Down Strike Percentage;] ["**Down Put**" means Max (Down Strike Percentage – Down Final Settlement Value; Down Floor Percentage);] ["**Down Put Spread**" means Min (Max (Down Strike Percentage – Down Final Settlement Value; Down Floor Percentage); Down Cap Percentage);] ["**Option Down 1**" means [Down Put] [Down Put Spread] [Down Forward] [Down Call] [Down Call Spread];] ["**Option Down 2**" means [Down Put] [Down Put Spread] [Down Forward] [Down Call] [Down Call Spread];] ["**Option Up 1**" means [Up Call] [Up Call Spread] [Up Forward] [Up Put] [Up Put Spread];] ["**Option Up 2**" means [Up Call] [Up Call Spread] [Up Forward] [Up Put] [Up Put Spread];] ["**Up Call**" means Max (Up Final Settlement Value – Up Strike Percentage; Up Floor Percentage);] ["**Up Call Spread**" means Min (Max (Up Final Settlement Value – Up Strike Percentage; Up Floor Percentage); Up Cap Percentage);] ["**Up Forward**" means Up Final Settlement Value – Up Strike Percentage;] ["**Up Put**" means Max (Up Strike Percentage – Up Final Settlement Value; Up Floor Percentage);] ["**Up Put Spread**" means Min (Max (Up Strike Percentage – Up Final Settlement Value; Up Floor Percentage); Up Cap Percentage).]]

		[Multiple Final Payout – Hyper-Flexi Knock-Out Performance Securities (A) if no Knock-out Event has occurred: Notional Amount × (Constant Percentage 1 + Gearing Up 1 × Option Up 1 + Gearing Down 1 × Option Down 1); (B) if a Knock-out Event has occurred: Notional Amount × (Constant Percentage 2 + Gearing Up 2 × Option Up 2 + Gearing Down 2 × Option Down 2) where: ["**Gearing Up 1**" means [•];] ["**Gearing Up 2**" means [•];] ["**Gearing Down 1**" means [•];] ["**Gearing Down 2**" means [•];] ["**Down Call**" means Max (Down Final Settlement Value – Down Strike Percentage; Down Floor Percentage);] ["**Down Call Spread**" means Min (Max (Down Final Settlement Value – Down Strike Percentage; Down Floor Percentage); Down Cap Percentage);] ["**Down Forward**" means Down Final Settlement Value – Down Strike Percentage;] ["**Down Put**" means Max (Down Strike Percentage – Down Final Settlement Value; Down Floor Percentage);] ["**Down Put Spread**" means Min (Max (Down Strike Percentage – Down Final Settlement Value; Down Floor Percentage); Down Cap Percentage);] ["**Option Down 1**" means [Down Put] [Down Put Spread] [Down Forward] [Down Call] [Down Call Spread];] ["**Option Down 2**" means [Down Put] [Down Put Spread] [Down Forward] [Down Call] [Down Call Spread];] ["**Option Up 1**" means [Up Call] [Up Call Spread] [Up Forward] [Up Put] [Up Put Spread];] ["**Option Up 2**" means [Up Call] [Up Call Spread] [Up Forward] [Up Put] [Up Put Spread];] ["**Up Call**" means Max (Up Final Settlement Value – Up Strike Percentage; Up Floor Percentage);] ["**Up Call Spread**" means Min (Max (Up Final Settlement Value – Up Strike Percentage; Up Floor Percentage); Up Cap Percentage);] ["**Up Forward**" means Up Final Settlement Value – Up Strike Percentage;] ["**Up Put**" means Max (Up Strike Percentage – Up Final Settlement Value; Up Floor Percentage);] ["**Up Put Spread**" means Min (Max (Up Strike Percentage – Up Final Settlement Value; Up Floor Percentage); Up Cap Percentage).]] **[Multiple Final Payout – Hyper-Flexi Multi Knock-In Performance Securities** (A) if no Knock-In Event has occurred: [Notional Amount × { Fixed Percentage 1 + [Sum (n = 1, 2, …, N) $W_{(n)}$ × (Constant $Percentage_{(n)}$ + $Gearing_{(n)}$ × $Option_{(n)}$)] }] [Notional Amount × { Fixed Percentage 1 + Min [Sum (n = 1, 2, …, N) $W_{(n)}$ × (Constant $Percentage_{(n)}$ + $Gearing_{(n)}$ × $Option_{(n)}$) ; Global Cap 1] }] [Notional Amount × { Fixed Percentage 1 + Max [Sum (n = 1, 2, …, N) $W_{(n)}$ × (Constant $Percentage_{(n)}$ + $Gearing_{(n)}$ × $Option_{(n)}$) ; Global Floor 1] }] [Notional Amount × { Fixed Percentage 1 + Min [Max [Sum (n = 1, 2, …, N) $W_{(n)}$ × (Constant

		Percentage$_{(n)}$ + Gearing$_{(n)}$ × Option$_{(n)}$) ; Global Floor 1] ; Global Cap 1] }] (B) if a Knock-In Event has occurred: [Notional Amount × { Fixed Percentage 2 + [Sum (j = 1, 2, …, J) $W_{(j)}$ × (Constant Percentage$_{(j)}$ + Gearing$_{(j)}$ × Option$_{(j)}$)] }] [Notional Amount × { Fixed Percentage 2 + Min [Sum (j = 1, 2, …, J) $W_{(j)}$ × (Constant Percentage$_{(j)}$ + Gearing$_{(j)}$ × Option$_{(j)}$) , Global Cap 2] }] [Notional Amount × { Fixed Percentage 2 + Max [Sum (j = 1, 2, …, J) $W_{(j)}$ × (Constant Percentage$_{(j)}$ + Gearing$_{(j)}$ × Option$_{(j)}$) , Global Floor 2] }] [Notional Amount × { Fixed Percentage 2 + Min [Max [Sum (j = 1, 2, …, J) $W_{(j)}$ × (Constant Percentage$_{(j)}$ + Gearing$_{(j)}$ × Option$_{(j)}$) , Global Floor 2] ; Global Cap 2] }] where: ["**Fixed Percentage 1**" is [●];] ["**Fixed Percentage 2**" is [●];] ["**Global Cap 1**" is [●];] ["**Global Floor 1**" is [●];] ["**Global Cap 2**" is [●];] ["G**lobal Floor 2**" is [●];] ["**J**" is [●];] ["**N**" is [●];] ["**n**" is [●];] ["**Constant Percentage$_{n}$**" means [●];] ["**Gearing$_{n}$**" is [●];] ["**Generic Percentage$_{(n,1)}$**" is [●];] ["**Generic Percentage$_{(n,2)}$**" is [●];] ["**Floor Percentage$_{(n)}$**" is [●]; ["**Loss Percentage$_{(n)}$**" is [●];] ["**Final Settlement Value$_{(n)}$**" means [●];] ["**Strike Percentage$_{(n)}$**" is [●];] ["**Spread Percentage$_{(n)}$**" is [●];] ["**Option$_{n}$**" [Put$_{(n)}$] [Put Spread$_{(n)}$] [Call$_{(n)}$] [Call Spread$_{(n)}$] [EDS$_{(n)}$] [Forward$_{(n)}$]] ["**EDS$_{(n)}$**" means Max (Floor Percentage$_{(n)}$, Min (Generic Percentage$_{(n,1)}$– nEDS$_{(n)}$ × Loss Percentage$_{(n)}$, Generic Percentage $_{(n,2)}$));] ["**Forward$_{(n)}$**" means Final Settlement Value$_{(n)}$ – Strike Percentage$_{(n)}$;] ["**nEDS$_{(n)}$**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is [less than or equal to] [less than] [greater than or equal to] [greater than], EDS Barrier Percentage$_{(n)}$;] ["**EDS Barrier Percentage$_{(n)}$**" is [●];] ["**Call$_{(n)}$**" means Max (Final Settlement Value$_{(n)}$ - Strike Percentage$_{(n)}$; Generic Percentage$_{(n,1)}$);] ["**Call Spread$_{(n)}$**" means Min (Max (Final Settlement Value$_{(n)}$ – Strike Percentage$_{(n)}$; Generic Percentage$_{(n,1)}$); Spread Percentage$_{(n)}$);]

["**Put$_{(n)}$**" means Max (Strike Percentage$_{(n)}$ – Final Settlement Value$_{(n)}$; Generic Percentage$_{(n,1)}$);]

["**Put Spread$_{(n)}$**" means Min (Max (Strike Percentage$_{(n)}$ – Final Settlement Value$_{(n)}$; Generic Percentage$_{(n,1)}$); Spread Percentage$_{(n)}$);]

["**Constant Percentage$_{j}$**" means [•];]

["**Gearing$_{j}$**" is [•];]

["**Generic Percentage$_{(j,1)}$**" is [•];]

["**Generic Percentage$_{(j,2)}$**" is [•];]

["**Floor Percentage$_{(j)}$**" is [•];]

["**Loss Percentage$_{(j)}$**" is [•];]

["**Final Settlement Value$_{(j)}$**" means [•];]

["**Strike Percentage$_{(j)}$**" is [•];]

["**Spread Percentage$_{(j)}$**" is [•];]

["**Option$_{j}$**" means [Put$_{(j)}$] [Put Spread$_{(j)}$] [Call$_{(j)}$] [Call Spread$_{(j)}$] [EDS$_{(j)}$] [Forward$_{(j)}$];]

["**EDS$_{(j)}$**" means [•];]

["**Forward$_{(j)}$**" means Final Settlement Value$_{(j)}$– Strike Percentage$_{(j)}$;]

["**nEDS$_{(j)}$**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is [less than or equal to] [less than] [greater than or equal to] [greater than] EDS Barrier Percentage$_{(j)}$;]

["**EDS Barrier Percentage$_{(j)}$**" is [•];]

["**Call$_{(j)}$**" means Max (Final Settlement Value$_{(j)}$ - Strike Percentage$_{(j)}$; Generic Percentage$_{(j,1)}$);]

["**Call Spread$_{(j)}$**" means Min (Max (Final Settlement Value$_{(j)}$ – Strike Percentage$_{(j)}$; Generic Percentage$_{(j,1)}$); Spread Percentage$_{(j)}$);]

["**Put$_{(j)}$**" means Max (Strike Percentage$_{(j)}$ – Final Settlement Value$_{(j)}$; Generic Percentage$_{(j,1)}$);]

["**Put Spread$_{(j)}$**" means Min (Max (Strike Percentage$_{(j)}$ – Final Settlement Value$_{(j)}$; Generic Percentage$_{(j,1)}$); Spread Percentage$_{(j)}$)]]

[Multiple Final Payout – Hyper-Flexi Multi Knock-out Performance Securities

[

(A) if no Knock-out Event has occurred**:**

[Notional Amount × { Fixed Percentage 1 + [Sum (n = 1, 2, …, N) $W_{(n)}$ × (Constant Percentage$_{(n)}$ + Gearing$_{(n)}$ × Option$_{(n)}$)] }]

[Notional Amount × { Fixed Percentage 1 + Min [Sum (n = 1, 2, …, N) $W_{(n)}$ × (Constant Percentage$_{(n)}$ + Gearing$_{(n)}$ × Option$_{(n)}$) ; Global Cap 1] }]

[Notional Amount × { Fixed Percentage 1 + Max [Sum (n = 1, 2, …, N) $W_{(n)}$ × (Constant Percentage$_{(n)}$ + Gearing$_{(n)}$ × Option$_{(n)}$) ; Global Floor 1] }]

[Notional Amount × { Fixed Percentage 1 + Min [Max [Sum (n = 1, 2, …, N) $W_{(n)}$ × (Constant Percentage$_{(n)}$ + Gearing$_{(n)}$ × Option$_{(n)}$) ; Global Floor 1] ; Global Cap 1] }]

(B) if a Knock out Event has occurred:

[Notional Amount × { Fixed Percentage 2 + [Sum (j = 1, 2, …, J) $W_{(j)}$ × (Constant Percentage$_{(j)}$ +

		Gearing$_{(j)}$ × Option$_{(j)}$)] }] [Notional Amount × { Fixed Percentage 2 + Min [Sum (j = 1, 2, …, J) W$_{(j)}$ × (Constant Percentage$_{(j)}$ + Gearing$_{(j)}$ × Option$_{(j)}$) , Global Cap 2] }] [Notional Amount × { Fixed Percentage 2 + Max [Sum (j = 1, 2, …, J) W$_{(j)}$ × (Constant Percentage$_{(j)}$ + Gearing$_{(j)}$ × Option$_{(j)}$) , Global Floor 2] }] [Notional Amount × { Fixed Percentage 2 + Min [Max [Sum (j = 1, 2, …, J) W$_{(j)}$ × (Constant Percentage$_{(j)}$ + Gearing$_{(j)}$ × Option$_{(j)}$) , Global Floor 2] ; Global Cap 2] }] where: ["**Fixed Percentage 1**" is [●];] ["**Fixed Percentage 2**" is [●];] ["**Global Cap 1**" is [●];] ["**Global Floor 1**" is [●];] ["**Global Cap 2**" is [●];] ["**Global Floor 2**" is [●];] ["**N**" is [●];] ["**n**" is [●];] ["**J**" is [●];] ["**Constant Percentage$_{n}$**" means [●];] ["**Gearing$_{n}$**" is [●];] ["**Generic Percentage$_{(n,1)}$**" is [●];] ["**Generic Percentage$_{(n,2)}$**" is [●];] ["**Floor Percentage$_{(n)}$**" is [●];] ["**Loss Percentage$_{(n)}$**" is [●];] ["**Final Settlement Value$_{(n)}$**" means [●];] ["**Strike Percentage$_{(n)}$**" is [●];] ["**Spread Percentage$_{(n)}$**" is [●];] ["**Option$_{n}$**" means [Put$_{(n)}$] [Put Spread$_{(n)}$] [Call$_{(n)}$] [Call Spread$_{(n)}$] [EDS$_{(n)}$] [Forward$_{(n)}$]] ["**EDS$_{(n)}$**" means Max (Floor Percentage$_{(n)}$, Min (Generic Percentage$_{(n,1)}$ – nEDS$_{(n)}$ × Loss Percentage$_{(n)}$, Generic Percentage $_{(n,2)}$));] ["**Forward$_{(n)}$**" means Final Settlement Value$_{(n)}$ – Strike Percentage$_{(n)}$;] ["**nEDS$_{(n)}$**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is [less than or equal to] [less than] [greater than or equal to] [greater than], EDS Barrier Percentage$_{(n)}$;] ["**EDS Barrier Percentage$_{(n)}$**" is [●];] ["**Call$_{(n)}$**" means Max (Final Settlement Value$_{(n)}$ - Strike Percentage$_{(n)}$; Generic Percentage$_{(n,1)}$);] ["**Call Spread$_{(n)}$**" means Min (Max (Final Settlement Value$_{(n)}$ – Strike Percentage$_{(n)}$; Generic Percentage$_{(n,1)}$); Spread Percentage$_{(n)}$);] ["**Put$_{(n)}$**" means Max (Strike Percentage$_{(n)}$ – Final Settlement Value$_{(n)}$; Generic Percentage$_{(n,1)}$);] ["**Put Spread$_{(n)}$**" means Min (Max (Strike Percentage$_{(n)}$ – Final Settlement Value$_{(n)}$; Generic Percentage$_{(n,1)}$); Spread Percentage$_{(n)}$);]

		["**Constant Percentage$_j$**" is [•];] ["**Gearing$_j$**" is [•];] ["**Generic Percentage $_{(j,1)}$** " is [•];] ["**Generic Percentage$_{(j,2)}$** " is [•];] ["**Floor Percentage$_{(j)}$** " is [•];] ["**Loss Percentage$_{(j)}$** " is [•];] ["**Final Settlement Value$_{(j)}$**" means [•];] ["**Strike Percentage$_{(j)}$** " is [•];] ["**Spread Percentage$_{(j)}$**" is [•];] ["**Option$_j$**" means [Put$_{(j)}$] [Put Spread$_{(j)}$] [Call$_{(j)}$] [Call Spread$_{(j)}$] [EDS$_{(j)}$] [Forward$_{(j)}$];] ["**EDS$_{(j)}$**" means Max (Floor Percentage$_{(j)}$, Min (Generic Percentage$_{(j,1)}$ – nEDS$_{(j)}$ × Loss Percentage$_{(j)}$, Generic Percentage $_{(j,2)}$));] ["**Forward$_{(j)}$**" means Final Settlement Value$_{(j)}$ – Strike Percentage$_{(j)}$;] ["**nEDS$_{(j)}$**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is [less than or equal to] [less than] [greater than or equal to] [greater than], EDS Barrier Percentage$_{(j)}$;] ["**EDS Barrier Percentage$_{(j)}$** " is [•];] ["**Call$_{(j)}$**" means Max (Final Settlement Value$_{(j)}$ - Strike Percentage$_{(j)}$; Generic Percentage$_{(j,1)}$);] ["**Call Spread$_{(j)}$**" means Min (Max (Final Settlement Value$_{(j)}$ – Strike Percentage$_{(j)}$; Generic Percentage$_{(j,1)}$); Spread Percentage$_{(j)}$);] ["**Put$_{(j)}$**" means Max (Strike Percentage$_{(j)}$ – Final Settlement Value$_{(j)}$; Generic Percentage$_{(j,1)}$);] ["**Put Spread$_{(j)}$**" means Min (Max (Strike Percentage$_{(j)}$ – Final Settlement Value$_{(j)}$; Generic Percentage$_{(j,1)}$); Spread Percentage$_{(j)}$)]] **[Multiple Final Payout – Capped and Floored Ratchet Securities** [[Notional Amount × (Max (Sum (q = 1, 2, ..., Q) Max ((Constant Percentage 1 + Final Settlement Value$_{(q)}$ - Strike Percentage) , Local Floor Percentage) , Global Floor Percentage))] [Notional Amount × (Max (Sum (i = 1, 2, …, I) Sum (q = 1, 2, ..., Q) Max ((Constant Percentage 1 + Final Settlement Value$_{(i,q)}$ - Strike Percentage$_{(i,q)}$), Local Floor Percentage$_{(i,q)}$) , Global Floor Percentage))]] [[Notional Amount × (Max (Sum (q = 1, 2, ..., Q) Max (Min (Constant Percentage 1 + Final Settlement Value$_{(q)}$ - Strike Percentage , Local Cap Percentage) , Local Floor Percentage) , Global Floor Percentage))] [Notional Amount × (Max (Sum (q = 1, 2, ..., Q) Max (Min (Constant Percentage 1 + Final Settlement Value$_{(i,q)}$ - Strike Percentage$_{(i,q)}$, Local Cap Percentage$_{(i,q)}$) , Local Floor Percentage) , Global Floor Percentage))]] where: ["**I**" is [•];] ["**Q**" is [•].]] **[Multiple Final Payout – Weighted Mixed Payouts Securities**

		(*Include all the relevant items and definitions in the Summary necessary to calculate the Additional Final Payout*) Notional Amount × (Constant Mixed Percentage + Sum (a = 1, 2, …, A) $PW_{(a)}$ Prod (b = 1, 2, …, B) Additional Final $Payout_{(a,b)}$) where: ["**Constant Mixed Percentage**" is [•]; ["**PW**" is the relevant Additional Final Payout Weighting;] ["**A**" is [•];] ["**a**" is [•];] ["**b**" is [•];] ["**B**" is [•] ["**Additional Final Payout**" means [•]] **[Multiple Final Payout – Knock-In Mixed Payouts Securities** (A) if no Knock-in Event has occurred: Notional Amount × (Mixed Constant 1 + Mixed Gearing 1 × Additional Final Payout 1); or (B) if a Knock-in Event has occurred: Notional Amount × (Mixed Constant 2 + Mixed Gearing 2 × Additional Final Payout 2); where: ["**Additional Final Payout 1**" means [•];] ["**Additional Final Payout 2**" means [•];] ["**Mixed Constant 1**" is [•];] ["**Mixed Constant 2**" is [•];] ["**Mixed Gearing 1**" is [•];] ["**Mixed Gearing 2**" is [•].]] **[Multiple Final Payout – Knock-out Mixed Payouts Securities** (A) if no Knock-out Event has occurred: Notional Amount × (Mixed Constant 1 + Mixed Gearing 1 × Additional Final Payout 1); or (B) if a Knock-out Event has occurred: Notional Amount × (Mixed Constant 2 + Mixed Gearing 2 × Additional Final Payout 2); where: ["**Additional Final Payout 1**" means [•];] ["**Additional Final Payout 2**" means [•];] ["**Mixed Constant 1**" is [•];] ["**Mixed Constant 2**" is [•];] ["**Mixed Gearing 1**" is [•];] ["**Mixed Gearing 2**" is [•].]]

		[Multiple Final Payout – Max Mixed Payouts Securities (*Include all the relevant items and definitions in the Summary necessary to calculate the Additional Final Payout*) Notional Amount × (Constant Mixed Percentage + Max (a = 1, 2, …, A) Additional Final $\text{Payout}_{(a)}$) where: ["**A**" is [•];] ["**a**" is [•];] ["**Constant Mixed Percentage**" is [•];] ["**Additional Final Payout**" means [•].]] **[Multiple Final Payout – Leveraged Securities** Notional Amount × (Reference Level - Fixed Percentage) where: ["**Reference Level**" means: Reference Level_0 × (1 + Participation Factor × (Fund Level_t - Fund Level_0) / Fund Level_0 - (Participation Factor-1) × Fees_t) ;] ["**Reference Level_0**" means [•];] ["**Fund Level_0**" means [•];] ["**Fund Level_t**" means the Settlement Price of the Underlying Reference(s) as of the MFP Settlement Valuation Date.] ["**Fixing Date**" means the Calculation Date immediately preceding the First Calculation Date;] ["**Calculation Date**" means each day which is a Fund Business Day.] ["**Day Count Fraction**" is [•];] ["**First Calculation Date**" means [•].] ["**Fees_t**" means the cumulative leverage fee, expressed as a percentage and calculated by the Calculation Agent as the aggregate sum of the Fees Accrued during each Fees Accrual Period;] ["**Fees Accrued**" means, in respect of a Fee Accrual Period, the fees accrued during such period, expressed as a percentage and calculated by the Calculation Agent as: (Fee ISDA Rate + Fee Margin) × Day Count Fraction] ["**Fee ISDA Rate**" means [•];] ["**Fee Margin**" is [•];] ["**Fee Accrual Period(s)**" means the periods commencing on (and including) the Fee Accrual Commencing Date up to (but excluding) the first Fee Accrual Date and each subsequent period commencing on (and including) a Fee Accrual Date up to (but excluding) the next following Fee Accrual Date.] ["**Fee Accrual Commencing Date**" is [•];] ["**Fee Accrual Date(s)**" is [•];] ["**Fixed Percentage**" means [•];] ["**Participation Factor**" is [•].]] **[Single FI FX Vanilla Securities** [(A) if no Knock-in Event has occurred:

		Notional Amount × FI Constant Percentage 1; or (B) if a Knock-in Event has occurred: Notional Amount × (FI Constant Percentage 1 + (Gearing × Option));] [[Notional Amount × (FI Constant Percentage 1 + (Gearing × Option));] [(A) if a Knock-in Event has occurred but a Knock-out Event has not occurred: Notional Amount × (FI Constant Percentage 1 + (Gearing × Option)); (B) in all other cases: Notional Amount × (FI Constant Percentage 1)] where: ["**Option**" means Max (Performance Value, Floor)] **]** **[Single FI Digital Floor Securities** **[** (A) if no Knock-in Event has occurred: Notional Amount × FI Constant Percentage 1; (B) if a Knock-in Event has occurred and the FI Digital Floor Condition is satisfied in respect of the relevant FI Settlement Valuation Date: Notional Amount × (FI Constant Percentage 1 + Digital Floor Percentage 1); or (C) if a Knock-in Event has occurred and the FI Digital Floor Condition is not satisfied in respect of the relevant FI Settlement Valuation Date: Notional Amount × (FI Constant Percentage 1 + Digital Floor Percentage 2)**]** [(A) if the FI Digital Floor Condition is satisfied in respect of the relevant FI Settlement Valuation Date: Notional Amount × (FI Constant Percentage 1 + Digital Floor Percentage 1) (B) if the FI Digital Floor Condition is not satisfied in respect of the relevant FI Settlement Valuation Date: Notional Amount × (FI Constant Percentage 1 + Digital Floor Percentage 2)**]** [(A) if no Knock-in Event has occurred: Notional Amount × FI Constant Percentage 1; or (B) if a Knock-in Event has occurred but a Knock-out Event has not occurred and the FI Digital Floor Condition is satisfied in respect of the relevant FI Settlement Valuation Date: Notional Amount × (FI Constant Percentage 1 + Digital Floor Percentage 1); or (C) in all other cases: Notional Amount × (FI Constant Percentage 1 + Digital Floor Percentage 2) **]]** **[Single FI Digital Cap Securities**

		[(A) if no Knock-in Event has occurred: Notional Amount × FI Constant Percentage 1; (B) if a Knock-in Event has occurred and the FI Digital Cap Condition is satisfied in respect of the relevant FI SettlementValuation Date: Notional Amount × (FI Constant Percentage 1+ Digital Cap Percentage 1); (C) if a Knock-in Event has occurred and the FI Digital Cap Condition is not satisfied in respect of the relevant FI Settlement Valuation Date: Notional Amount × (FI Constant Percentage 1+ Digital Cap Percentage 2); **]** [(A) if the FI Digital Cap Condition is satisfied in respect of the relevant FI Settlement Valuation Date: Notional Amount × (FI Constant Percentage 1 + Digital Cap Percentage 1); or (B) if the FI Digital Cap Condition is not satisfied in respect of the relevant FI Settlement Valuation Date: Notional Amount × (FI Constant Percentage 1 + Digital Cap Percentage 2); **]** **[** (A) if no Knock-in Event has occurred: Notional Amount × FI Constant Percentage 1; or (B) if a Knock-in Event has occurred but a Knock-out Event has not occurred and the FI Digital Cap Condition is satisfied in respect of the relevant FI Settlement Valuation Date: Notional Amount × (FI Constant Percentage 1 + Digital Cap Percentage 1); or (C) in all other cases: Notional Amount × (FI Constant Percentage 1 + Digital Cap Percentage 2). **]]** **[Single FI Digital Plus Securities** **[** (A) if, irrespective of whether a Knock-in Event has or has not occurred, the FI Digital Plus Condition is satisfied in respect of the relevant FI Settlement Valuation Date: Notional Amount × (FI Constant Percentage 1 + Max (Digital Plus Percentage 1, (Gearing A × FI Digital Value))); or (B) if no Knock-in Event has occurred and the FI Digital Plus Condition is not satisfied in respect of the relevant FI Settlement Valuation Date: Notional Amount × FI Constant Percentage 1; or (C) if a Knock-in Event has occurred and the FI Digital Plus Condition is not satisfied in respect of the relevant FI Settlement Valuation Date: Notional Amount × (FI Constant Percentage 1 + Min (Digital Plus Percentage 2, Max ((Gearing B × FI Digital Value), FI Digital Floor Percentage)));] [(A) if the FI Digital Plus Condition is satisfied in respect of the relevant FI Settlement Valuation Date: Notional Amount × (FI Constant Percentage 1 + Max (Digital Plus Percentage 1, (Gearing A × FI Digital Value))); or

		(B) if the FI Digital Plus Condition is not satisfied in respect of the relevant FI Settlement Valuation Date: Notional Amount × (FI Constant Percentage 1 + Min (Digital Plus Percentage 2, Max ((Gearing B × FI Digital Value), FI Digital Floor Percentage)));] [(A) irrespective of whether a Knock-in Event and/or Knock-out Event has occurred, if the FI Digital Plus Condition is satisfied in respect of the relevant FI Settlement Valuation Date: Notional Amount × (FI Constant Percentage 1 + Max (Digital Plus Percentage 1, (Gearing A × FI Digital Value))); or (B) if a Knock-in Event has occurred but a Knock-out Event has not occurred and the FI Digital Plus Condition is not satisfied in respect of the relevant FI Settlement Valuation Date: Notional Amount × (FI Constant Percentage 1 + Max (Digital Plus Percentage 2, Max ((Gearing B × FI Digital Value), FI Digital Floor Percentage))); or (C) in all other cases: Notional Amount × FI Constant Percentage 1]] **[Continuous FX Wedding Cake Securities** [If, at all times on each Observation Date during the Observation Period the Underlying Reference Level remains within Range 1: Notional Amount × FXR_1] [If at all times on each Observation Date during the Observation Period, the Underlying Reference Level has, at least once, moved outside Range 1 but has remained within Range 2: Notional Amount × FXR_2] [If at all times on each Observation Date during the Observation Period, the Underlying Reference Level has, at least once, moved outside [Range 1] [Range 2] [and] [[•])], but has remained within Range [•]: Notional Amount × FXR_ [•] [If none of the previous conditions has been met: Notional Amount] where ["**Range 1**" is [•];] ["**Range 2**" is [•];] ["**Range [•]**" is [•];] ["**FXR_1**" is [•];] ["**FXR_2**" is [•];] ["**FXR_** [•]" is [•].]] **[Single FI Inflation Securities** [Notional Amount × Max [Constant Percentage 1; Gearing × Inflation Rate]] [Notional Amount × Min [Constant Percentage 1; Max [Constant Percentage 2; Gearing × Inflation Rate]]] **[*Insert if Payout Switch is applicable:*** **Payout Switch** If [the Issuer elects that the Final Payout be amended] [an Automatic Payout Switch Event occurs], the Final Payout of the Securities will be amended on and after [•] (the "**Payout Switch Date**") to [*specify switched payout*]. "**Automatic Payout Switch Event**" means [*specify*].]

		[*Insert if Maximum/Minimum Amount is applicable*: **Maximum/Minimum Amount** [The Cash Settlement Amount will be subject to [a cap of the Maximum Amount equal to [•] [and] [a floor of the Minimum Amount equal to [•].] **[Entitlement Amount** [[Entitlement Units × Entitlement Multiplier] [Entitlement Units × Entitlement Multiplier × Weighting]. ["**Entitlement Units**": means [•];] ["**Entitlement Multiplier**": means [•];] ["**Weighting**": means [•];] **[Delivery of Worst-Performing Underlying** NA × Settlement Payout / (Worst Performing Underlying Reference Closing Price Value$_{(i)}$×FX$_{(i)}$) where: ["**Settlement Payout**" means: [•];] ["**Worst Performing Underlying Reference Closing Price Value$_{(i)}$**" is the Underlying Reference Closing Price Value$_{(i)}$ on the relevant MFP Valuation Date in respect of the Underlying Reference with the Worst Value on such date;] ["**MFP Valuation Date(s)**" means: [•];] ["**Underlying Reference Closing Price Value$_{(i)}$**" is the Underlying Reference Closing Price Value on the relevant MFP Valuation Date;] ["**Underlying Reference Closing Price Value**" means [•];] ["**Worst Value**" means, in respect of a MFP Valuation Date, the lowest Underlying Reference Value for any Underlying Reference in the Basket in respect of such MFP Valuation Date.] ["**Underlying Reference Value**" means: [•]] ["**FX$_{(i)}$**" is the relevant Underlying Reference FX Level on the relevant MFP Valuation Date or if that is not a Business Day the immediately succeeding Business Day.] ["**Underlying Reference FX Level**" means: [•].] **[Delivery of Best-Performing Underlying** NA × Settlement Payout / (Best Performing Underlying Reference Closing Price Value$_{(i)}$ × FX$_{(i)}$) where: ["**Best-Performing Underlying Reference Closing Price Value$_{(i)}$**" is the Underlying Reference Closing Price Value$_{(i)}$ on the relevant MFP Valuation Date in respect of the Underlying Reference with the Best Value on such date;] ["**Settlement Payout**" means: [•];] ["**Worst Performing Underlying Reference Closing Price Value$_{(i)}$**" is the Underlying Reference Closing Price Value$_{(i)}$ on the relevant MFP Valuation Date in respect of the Underlying Reference with the Worst Value on such date;] ["**MFP Valuation Date(s)** " means: [•];] ["**Underlying Reference Closing Price Value$_{(i)}$**" is the Underlying Reference Closing Price Value on the relevant MFP Valuation Date;] ["**Underlying Reference Closing Price Value**" means [•];]

		["**Best Value**" means, in respect of a MFP Valuation Date, the highest Underlying Reference Value for any Underlying Reference in the Basket in respect of such MFP Valuation Date.] ["**Underlying Reference Value**" means: [●]] ["**$FX_{(i)}$**" is the relevant Underlying Reference FX Level on the relevant MFP Valuation Date or if that is not a Business Day the immediately succeeding Business Day.] ["**Underlying Reference FX Level**" means: [●].]] **[Delivery of the Underlying** NA × Settlement Payout / (Underlying Reference Closing Price Value ×$FX_{(i)}$) where: ["**Settlement Payout**" means: [●];] ["**Underlying Reference Closing Price Value**" is the Underlying Reference Closing Price Value on the relevant MFP Valuation Date;] ["**$FX_{(i)}$**" is the Underlying Reference FX Level on the relevant MFP Valuation Date or if that is not a Business Day the immediately succeeding Business Day;] ["**Underlying Reference FX Level**" means: [●]] [The Entitlement Amount will be rounded down to the nearest unit of each Relevant Asset capable of being delivered and in lieu thereof the Issuer will pay a residual amount.]] **[Early Settlement** If an Automatic Early Settlement Event has occurred, each Certificate entitles its holder to receive from the relevant Issuer on [each] [the] the Automatic Early Settlement Date the [Automatic Early Settlement Amount] [Early Settlement Entitlement] [, less any Expenses not already paid]. Each such Certificate shall be automatically settled on the Automatic Early Settlement Date(s) falling on [●].] The Automatic Early Settlement Amount will be [equal to (i) the product of [●] (the "**Notional Amount**") and (ii) the sum of [●] (the "**Automatic Early Settlement Percentage**") and [●] (the "**AES Rate**")]/[an amount equal to:]] **[Automatic Early Settlement Payout Capitalised Call and Put Securities 1** [$\text{Max}\left(0;\ \left(\frac{\text{Final Price Early} - \text{Capitalised Exercise Price}}{\text{Parity} \times \text{Conversion Rate Early}}\right)\right)$;] [$\text{Max}\left(0;\ \left(\frac{\text{Capitalised Exercise Price} - \text{Final Price Early}}{\text{Parity} \times \text{Conversion Rate Early}}\right)\right)$.]] **[Automatic Early Settlement Payout Capitalised Call and Put Securities 2.** 0 (zero)] **[SFP Automatic Early Settlement Payout** Notional Amount × [Constant AES Percentage + Premium Percentage × i] where "**Constant AES Percentage**" is [●].] **[MFP Automatic Early Settlement Payout** [NA × (AES Settlement Percentage + AES Exit Rate)] [NA × {[Max (AES Settlement Percentage 1 + Gearing × Max (AES Settlement Percentage 2 – MFP

		AES Value; Floor Percentage 1)); Floor Percentage 2] + Premium Percentage × DCF}] **"DCF"** is [•]] [provided that the MFP Automatic Early Settlement Payout will be subject to [a cap of [•]] [and] [a floor of [•].] Where: ["**AES up Rate**" means: [Min (Max (ES Floor Percentage$_{(i)}$, ES Gearing$_{(i)}$ × (ES Value$_{(i)}$ - ES Strike Percentage$_{(i)}$) + ES Spread$_{(i)}$), ES Cap Percentage$_{(i)}$) + ES Constant Percentage$_{(i)}$] [Min (ES Gearing$_{(i)}$ × (ES Value$_{(i)}$ - ES Strike Percentage$_{(i)}$) + ES Spread$_{(i)}$, ES Cap Percentage$_{(i)}$) + ES Constant Percentage$_{(i)}$] [Max (ES Floor Percentage$_{(i)}$, ES Gearing$_{(i)}$ × (ES Value$_{(i)}$ - ES Strike Percentage$_{(i)}$) + ES Spread$_{(i)}$) + ES Constant Percentage$_{(i)}$,] [ES Gearing$_{(i)}$ × (ES Value$_{(i)}$ - ES Strike Percentage$_{(i)}$) + ES Spread$_{(i)}$ + ES Constant Percentage$_{(i)}$] ["**AES Calculation Period**" means the period from (and including) the Remuneration Payment Date immediately preceding the Automatic Early Settlement Date (or if none the Issue Date) to (but excluding) the Automatic Early Settlement Date;] ["**AES CSN Rate**" means a percentage calculated as the product of the AES Rate and the applicable AES Day Count Fraction;] ["**AES Day Count Fraction**" means [•];] ["**AES Exit Rate**" means, in respect of [a MFP ES Valuation Date] [MFP ES Valuation Period], the [AES Rate] [AES up Rate] [AES CSN Rate];] ["**AES Rate(s)**" means the rate(s) specified with reference to each Automatic Early Settlement Date;] ["**AES Settlement Percentage**" means [•];] ["**AES Settlement Percentage 1**" means [•];] ["**AES Settlement Percentage 2**" means [•];] ["**AES Reference Rate**" means [•];] ["**ES Cap Percentage**" means [•];] ["**ES Constant Percentage**" means [•];] ["**ES Floor Percentage**" means, [•];] ["**ES Gearing**" means, [•];] ["**ES Spread**" means, [•];] ["**ES Strike Percentage**" means, [•];] ["**ES Value**" means [•];] ["**MFP ES Valuation Date**" means [•];] ["**MFP Valuation Period**" means [•].] **[Leveraged Certificates Automatic Early Settlement Payout** $\frac{\text{Net Proceeds}}{\text{Number of Certificates issued}}$ [provided that the Leveraged Certificates Automatic Early Settlement Payout will be subject to [a cap of [•]][and] [a floor of [•].] Where:

		"**Net Proceeds**" means the proceeds which the Issuer has actually received from the sale by it in the Underlying Reference, net of any costs, expenses or taxes incurred by the Issuer in connection with such sale.] **[Target Automatic Early Settlement Payout** NA × (Constant TAES Percentage + Final Remuneration Rate) Where "**Constant TAES Percentage**" means [•]] **[FI Underlying Automatic Early Settlement Payout** NA] **[FI Coupon Automatic Early Settlement Payout** NA × (FI CAES Percentage + (Min (Coupon Cap, Final Coupon Rate) × Final Day Count Fraction)). where "**FI CAES Percentage**" means [•]] [If the Automatic Early Settlement Amount is not an amount in [specify] (the "**Settlement Currency**"), it will be converted into the Settlement Currency at [*insert exchange rate*].] ["**Early Settlement Entitlement**" means [the quantity of the Relevant Asset] [the Relevant Assets] which a Securityholder is entitled to receive on [each] [the] Automatic Early Settlement Date in respect of each Certificate which shall be the Entitlement Units multiplied by the Entitlement Multiplier [multiplied by the Weighting (*in respect of any Underlying Reference constituted by a Basket*). Where: ["**Entitlement Units**": means [•];] ["**Entitlement Multiplier**": means [•];] ["**Weighting**": means [•].]] **Expenses** A holder of Securities must pay all taxes, duties and/or expenses, including any applicable depository charges, transaction or exercise charges, sale commissions, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties arising from the exercise and settlement of such Securities and/or the delivery or transfer of the Entitlement (as applicable) pursuant to the terms of such Securities ("**Expenses**") relating to such Securities. ***[Insert if the Securities are Credit Securities other than Tranched Credit Securities or Bonus Remuneration Credit Securities:*** The Issuer will settle each Credit Security on the Credit Security Settlement Date (as such date may be extended as described in Element C.16) by payment of an amount equal to the outstanding notional amount (as reduced from time to time) of such Credit Security (together with remuneration, if any, payable thereon) unless the Credit Securities have been previously settled or purchased and cancelled in full (including in the circumstances as described below). Where the outstanding notional amount of any Credit Security is reduced to zero (including following reduction as a result of a Credit Event as described below), then upon the performance by the Issuer of any remaining obligations in respect of the Credit Security, such Credit Security shall be deemed to have been settled in full without further payment. ***[Insert if the Securities are Single Reference Entity Credit Securities, First-to-Default Credit Securities or***

		Nth-to-Default Credit Securities where "Multiple Default Triggers" do not apply: Upon the occurrence of an Event Determination Date (being the date on which a Credit Event has occurred and certain conditions have been satisfied) [*Insert in respect of Nth-to-Default Credit Securities:* in respect of [•] ("**N**") Reference Entities] the Credit Securities will be redeemed in full [*Insert if Auction Settlement applies:* by payment of the Auction Settlement Amount] [*Insert if Cash Settlement applies:* by payment of the Credit Event Cash Settlement Amount] [*Insert if Physical Settlement applies:* by delivery of the relevant proportion of Deliverable Obligations] on the [*Insert as applicable if Settlement at Maturity does not apply:* [related auction][related cash][related physical] settlement date] [*Insert if Settlement at Maturity applies*: Credit Security Settlement Date]. **[*Insert if the Credit Securities are Zero Recovery Credit Securities*:** Following the occurrence of an Event Determination Date (being the date on which a Credit Event has occurred and certain conditions have been satisfied) in relation to a Reference Entity, the outstanding notional amount of the Credit Securities will be reduced by an amount corresponding to such Reference Entity's reference entity notional amount (being broadly the proportion of the notional amount of the Credit Securities which is linked to the credit of the Reference Entity in respect of which the Credit Event has occurred) and no amount shall be payable to Securityholders in respect of such linked portion of the outstanding notional amount. [*Insert in the case of Single Reference Entity Securities:* This means that following an Event Determination Date, Securityholders will lose the entirety of their investment in the Credit Securities.] ***[Insert if the Securities are Nth-to-Default Credit Securities to which "Multiple Default Trigger" applies:*** Following the occurrence of an Event Determination Date (being the date on which a Credit Event has occurred and certain conditions have been satisfied) in respect of the [*insert N*] ("**N**") Reference Entity, then in relation to that Reference Entity and in relation to any subsequent Event Determination Date in respect of a Reference Entity, the Issuer will [***Insert if Auction Settlement applies:*** make payment in respect of each Credit Security of its *pro rata share* of the Auction Settlement Amount,] [***Insert if Cash Settlement applies***: make payment in respect of each Credit Security of its *pro rata share* of the Credit Event Cash Settlement Amount,][***Insert if Physical Settlement applies***: deliver in respect of each Credit Security, the relevant proportion of Deliverable Obligations] on the [*Insert as applicable if Settlement at Maturity does not apply:* [related auction][related cash][related physical] settlement date] [*Insert if Settlement at Maturity applies*: Credit Security Settlement Date], and if an Event Determination Date occurs in respect of the [insert M] ("**M**") Reference Entity, no further Event Determination Dates may occur and for the purposes of calculating the amount payable or deliverable per Credit Security following the occurrence of the Event Determination Date in respect of "M", the reference entity notional amount of the affected Reference Entity shall be equal to 100 per cent. of the outstanding nominal amount of the Credit Securities immediately prior to such Event Determination Date. For the avoidance of doubt, the outstanding notional amount of the Credit Securities shall with effect from each Event Determination Date (following N) be reduced by the reference entity notional amount of the Reference Entity in respect of which such Event Determination Date occurred.]

		[***Insert for Linear Basket Credit Securities or Basket Credit Securities:*** Following the occurrence of an Event Determination Date (being the date on which a Credit Event has occurred and certain conditions have been satisfied) in respect a Reference Entity, then in relation to that Reference Entity and in relation to any subsequent Event Determination Date in respect of a Reference Entity, the Issuer will [***Insert if Auction Settlement applies:*** make payment in respect of each Credit Security of its *pro rata share* of the Auction Settlement Amount,] [***Insert if Cash Settlement applies***: make payment in respect of each Credit Security of its *pro rata share* of the Credit Event Cash Settlement Amount,][***Insert if Physical Settlement applies***: deliver in respect of each Credit Security, the relevant proportion of Deliverable Obligations] on the [*Insert as applicable if Settlement at Maturity does not apply:* [related auction][related cash][related physical] settlement date] [*Insert if Settlement at Maturity applies*: Credit Security Settlement Date]. For the avoidance of doubt, the outstanding notional amount of the Credit Securities shall with effect from each Event Determination Date be reduced by the reference entity notional amount of the Reference Entity in respect of which such Event Determination Date occurred.] [***Insert for Basket Credit Securities where a "Distribution End Date" is specified and "Distribution Period Settlement" applies*:** Notwithstanding the above, where prior to [*insert Distribution End Date*] (the "**Distribution End Date**"), an Event Determination Date occurs in respect of a Reference Entity, the paragraph immediately above shall not apply and the Issuer will settle each outstanding Credit Security in part, on the fifth Business Day following the Distribution End Date in an outstanding notional amount corresponding to such Credit Security's *pro rata* share of the relevant reference entity notional amount by making a payment in respect of that Credit Security equal to its *pro rata* share of the related reference entity notional amount. After the [*insert Distribution End Date*], the terms of the Credit Securities shall apply as described immediately above.] [***Insert for Basket Credit Securities where a "Distribution End Date" is specified and "Settlement at Maturity" applies:*** Notwithstanding the above, where prior to [*insert Distribution End Date*] (the "**Distribution End Date**"), an Event Determination Date occurs in respect of a Reference Entity, the paragraph immediately above shall not apply and with effect from that Event Determination Date, the relevant Reference Entity shall no longer be treated as a Reference Entity for the purposes of the Credit Securities, no further Event Determination Date may apply in respect of such Reference Entity and no adjustment shall be made to the reference entity notional amount in respect of any other Reference Entity as a result of the foregoing. After the Distribution End Date, the terms of the Credit Securities shall apply as described immediately above.] [***Insert for Basket Credit Securities where a "Distribution Period Event Determination Disapplication" applies:*** The provisions described above relating to reductions in the outstanding notional amount of the Credit Securities and payments following an Event Determination Date shall only apply in respect of each Event Determination Date which occurs after [*insert Distribution End Date*] (the "**Distribution End Date**") and for the avoidance of doubt, any Event Determination Date occurring prior to the Distribution End Date shall

		be ignored.] [***Insert for Tranched Credit Securities:*** The Securities are "**Tranched Credit Securities**". The Issuer will settle each Credit Security on the Credit Security Settlement Date by payment of an amount equal to the outstanding notional amount of such Credit Security plus its *pro rata* share of the Aggregate Incurred Recovery Amount. The "**Aggregate Incurred Recovery Amount**" is an amount (subject to a minimum of zero) equal to (a) the aggregate of any Incurred Recovery Amounts calculated with respect to all Reference Entities up to and including such date, minus (b) an amount equal to the sum of (without duplication) all costs, expenses (including loss of funding), tax and duties incurred by the Issuer in connection with the exercise, settlement, cancellation and/or termination of the Credit Securities (and/or the reduction in the outstanding notional amount thereof) and the related termination, settlement or re-establishment of any hedging transactions. The "**Incurred Recovery Amount**" means, with respect to a Reference Entity and the date on which the relevant final price is determined (the "**Final Price Calculation Date**"), an amount calculated on such Final Price Calculation Date equal to the lowest of: (a) the Recovery Amount; (b) the aggregate of all Recovery Amounts up to and including such date (including the related Recovery Amount for that Reference Entity and Final Price Calculation Date) minus an amount equal to (i) the Implicit Portfolio Size multiplied by (ii) 100 per cent. minus [*insert Detachment Point*] (the "**Detachment Point**") on such Final Price Calculation Date, subject to a minimum of zero; and (c) the outstanding notional amount (prior to any reduction thereto in respect of that Reference Entity and Final Price Calculation Date). The "**Recovery Amount**" means, in respect of Tranched Credit Securities, a Reference Entity and a Final Price Calculation Date, an amount, subject to a minimum of zero, calculated on that Final Price Calculation Date equal to: (a) the lesser of 100 per cent. and [***Insert if Auction Settlement applies***: the auction final price (being broadly the price determined by reference to a credit derivatives auction conducted by the determinations committee (the "**DC**") of the International Swaps and Derivatives Association ("**ISDA**")] [***Insert if Cash Settlement applies***: [***Insert if specified Final Price***: [•]][***Insert if weighted average final price applies***: the weighted average final price, which will be determined on a valuation date selected by the Calculation Agent on the basis of the bid quotations sought by the Calculation Agent from third party dealers for certain eligible obligations of the Reference Entity selected by the Calculation Agent] for that Reference Entity as of such Final Price Calculation Date; multiplied by (c) the reference entity notional amount for that Reference Entity (being broadly the proportion of the notional amount of the Credit Securities which is linked to the credit of that Reference Entity), as at the relevant Event Determination Date. "**Implicit Portfolio Size**" means an amount equal to [insert the aggregate notional amount as at the Issue Date] divided by the Tranche Size. "**Tranche Size**" means, the Detachment Point minus [*insert Attachment Point*] (the "**Attachment Point**"). Payment of all or part of the amount otherwise due in respect of a Tranched Credit Security may be postponed beyond the Scheduled Settlement Date where the Calculation Agent determines that a Credit

		Event may have occurred on or before the Scheduled Settlement Date or if a Credit Event has occurred prior to the Scheduled Settlement Date but the relevant final price is yet to be determined. In such circumstances the Issuer will pay such amounts (if any) on the Scheduled Settlement Date, which the Issuer (or the Calculation Agent on its behalf) has determined will not be impacted by the occurrence of any such Credit Event. [***Insert for Combination Credit Securities:*** The Securities are Combination Credit Securities. The applicable provisions which apply in respect of principal are: [*copy the relevant provisions from above depending on whether principal is treated as Single Reference Entity Credit Securities, Nth-to-Default Credit Securities, Basket Credit Securities, Tranched Credit Securities or Zero Credit Securities]*. The remuneration in respect of the Combination Credit Securities is described below.] [***Insert relevant definitions for Credit Securitie****s:* As used above: ["**Auction Settlement Amount**" means Max (PP, Max [0, Min (A, [(A × B) – C])] Where: "A" means, the reference entity notional amount (being broadly the proportion of the notional amount of the Credit Securities which is linked to the credit of the Reference Entity in respect of which the Credit Event has occurred). "B" means, the auction final price (being broadly the price determined by reference to a credit derivatives auction conducted by the determinations committee (the "**DC**") of the International Swaps and Derivatives Association ("**ISDA**")). "C" means, the credit unwind costs (being [*Specify figure, or insert "0" if not applicable:* [•]][*Insert if Standard Unwind Costs apply*: broadly, an amount subject to a minimum of zero, determined by the Calculation Agent equal to the sum of (without duplication) all costs, expenses (including loss of funding), tax and duties incurred by the Issuer in connection with the exercise, settlement, cancellation and/or termination of the Credit Securities (and/or the reduction in the outstanding notional amount thereof) and the related termination, settlement or re-establishment of any hedging transactions, as apportioned *pro rata* amongst the Credit Securities]). "PP" means, [*Insert principal protection percentage*:] [•] multiplied by A.]["**Credit Event**" means, in respect of a Reference Entity, the occurrence of one of the credit events specified in respect of the relevant Transaction Type relating to such Reference Entity in the most recent physical settlement matrix published by ISDA as at the date hereof.]["**Credit Event Cash Settlement Amount**" means Max (PP, Max [0, Min (A, [(A × B) – C]))] where: "A" means, the reference entity notional amount (being broadly the proportion of the notional amount of the Credit Securities which is linked to the credit of the Reference Entity in respect of which the Credit Event has occurred). "B" means [*Insert if specified Final Price:* [•] (the "**Final Price**")][*Insert if weighted average final price applies:* the weighted average final price which will be determined on a valuation date selected by the Calculation Agent on the basis of the bid quotations sought by the Calculation Agent from third party dealers for certain eligible obligations of the Reference Entity selected by the Calculation Agent. "C" means, the credit unwind costs (being [*Specify figure, or insert "0" if not applicable:* [•]][*Insert if Standard Unwind Costs apply*: broadly, an amount subject to a minimum of zero, determined by the Calculation Agent equal to the sum of (without duplication) all costs, expenses (including loss of funding), tax and duties incurred by the Issuer in connection with the exercise, settlement, cancellation and/or termination of the Credit Securities (and/or the reduction in the outstanding notional amount thereof) and the related termination, settlement or re-establishment of any hedging transactions, as apportioned *pro rata*

		amongst the Credit Securities "PP" means, [*Insert principal protection percentage*:] [•] multiplied by A]. ["**Deliverable Obligations**" means, deliverable obligations as shall be notified by the Issuer to Securityholders at the time of physical settlement. The relevant proportion of Deliverable Obligations to be delivered to each Securityholder will be in an outstanding notional amount corresponding to each Credit Security's *pro rata* share of the relevant reference entity notional amount.] **[Remuneration and Remuneration Periods** [The Securities do not pay remuneration.] **[*Insert in the case of Securities which bear a Remuneration Rate:*** The Securities pay [remuneration amount[s] [from their date of issue/from [•]] at the fixed rate of [•] per cent. per annum.] [fixed remuneration amount[s] of [•]/ Broken Amount[s] of [•]] [The yield of the Certificates is [•] per cent.] [remuneration amounts] will be paid [quarterly/semi annually/annually/*other*] [in arrear] [on [•]] [in each year]. The first remuneration amount payment will be made on [•].] (*repeat for any remuneration amount if necessary*) [The Securities pay remuneration amount[s] [from their date of issue/from [•]] at floating rates calculated by reference to [*specify reference rate for Securities being issued*] [plus/minus] a margin of [•] per cent. [Remuneration amounts] will be paid [quarterly/semi annually/annually/*other*] [in arrear] on [•] [in each year] [, subject to adjustment for non-business days]. The first remuneration amount payment will be made on [•].] (*repeat for any remuneration amount if necessary*) [The Securities pay remuneration amount[s] [from their date of issue/from [•]] at [a rate calculated by reference to [*insert underlying*] (the "Underlying Reference(s)")]. [Remuneration Amounts] will be paid [quarterly/semi-annually/annually/*other*] [in arrear] on [•] [in each year] [, subject to adjustment for non-business days]. The first remuneration amount] payment will be made on [•]. (*repeat for any remuneration amount if necessary*) [The remuneration rate[s] is/are calculated as set out below: **[MFP Fixed Coupon** Rate $_{(i)}$] **[MFP Floating Coupon** Rate $_{(i)}$] [**MFP Mixed Coupon** Spread$_{(i)}$ + Rate$_{(i)}$] **[MFP Digital Coupon** (i) If the Digital Coupon Condition is satisfied in respect of [MFP Coupon Valuation Date$_{(i)}$] [MFP Coupon Valuation Period$_{(i)}$] Rate 1$_{(i)}$ (ii) if the Digital Coupon Condition is not satisfied in respect of [MFP Coupon Valuation Date$_{(i)}$] [MFP Coupon Valuation Period$_{(i)}$] Rate 2$_{(i)}$] **[MFP Additional Digital Coupon** (i) If the Additional Digital Coupon Condition is satisfied in respect of [MFP Coupon Valuation Date$_{(i)}$] [MFP Coupon Valuation Period$_{(i)}$]

		Additional Coupon $1_{(i)}$ (ii) if the Additional Digital Coupon Condition is not satisfied in respect of [MFP Coupon Valuation $Date_{(i)}$] [MFP Coupon Valuation $Period_{(i)}$ Additional Coupon $2_{(i)}$] [**MFP Double Digital Coupon** (i) If the Double Digital Coupon Condition 1 is satisfied in respect of [MFP Coupon Valuation $Date_{(i)}$] [MFP Coupon Valuation $Period_{(i)}$] Additional Coupon $1_{(i)}$ (ii) if the Double Digital Coupon Condition 1 is not satisfied and the Double Digital Coupon Condition 2 is satisfied in respect of [MFP Coupon Valuation $Date_{(i)}$] [MFP Coupon Valuation $Period_{(i)}$] Additional Coupon $2_{(i)}$ (iii) if the Double Digital Coupon Condition 1 is not satisfied and the Double Digital Coupon Condition 2 is not satisfied in respect of [MFP Coupon Valuation $Date_{(i)}$] [MFP Coupon Valuation $Period_{(i)}$] Additional Coupon $3_{(i)}$] **[MFP Corridor Digital Coupon** (i) If the Corridor Digital Coupon Condition 1 and Corridor Digital Coupon Condition 2 is satisfied in respect of [MFP Coupon Valuation $Date_{(i)}$] [MFP Coupon Valuation $Period_{(i)}$,] Rate $1_{(i)}$ (ii) if the Corridor Digital Coupon Condition 1 or Corridor Digital Coupon Condition 2 is not satisfied in respect of [MFP Coupon Valuation $Date_{(i)}$] [MFP Coupon Valuation $Period_{(i)}$] Rate $2_{(i)}$ where: ["**Corridor Digital Coupon Condition 1**" means that the DC Barrier Value for [MFP Coupon Valuation Date] [MFP Coupon Valuation Period] is [greater than] [less than] [equal to or greater than] or [less than or equal to] the Barrier Level]; [within] the Barrier Range Level] [outside] the Barrier Range Level] ["**Corridor Digital Coupon Condition 2**" means that the DC Barrier Value for [MFP Coupon Valuation Date] [MFP Coupon Valuation Period] is [greater than] [less than] [equal to or greater than] or [less than or equal to] the Barrier Level]; [within] the Barrier Range Level] [outside] the Barrier Range Level]] **[MFP Memory Snowball Digital Coupon** (i) if the MFP Memory Snowball Digital Coupon Condition is satisfied in respect of [MFP Coupon Valuation $Date_{(i)}$] [MFP Coupon Valuation $Period_{(i)}$] Rate $1_{(i)}$ + $SumRate_{(i)}$ where: ["**Sum Rate$_{(i)}$**" means: [the sum of Rate $1_{(i)}$ for [each MFP Coupon Valuation Date] [MFP Coupon Valuation Period], in the period from (but excluding) the last occurring MFP Memory Snowball Date (or if none the Issue Date) to (but excluding) the relevant [MFP Coupon Valuation Date] [MFP Coupon Valuation Period] [the sum of Rate $1_{(i)}$ for [the last N MFP Coupon Valuation Date] [MFP Coupon Valuation Period] in the period from (but excluding) the last occurring MFP Memory Snowball Date (or if none the Issue Date) to (but excluding) the relevant [MFP Coupon Valuation Date] [MFP Coupon Valuation Period] [the sum of Rate $1_{(i)}$ for [each MFP Coupon Valuation Date] [FP Coupon Valuation Period] in the period from (but excluding) the last occurring MFP Memory Snowball Date (or if none the Issue Date) to (but

		excluding) the relevant [MFP Coupon Valuation Date] [MFP Coupon Valuation Period] less the sum of Rate $2_{(i)}$ for [MFP Coupon Valuation Date] [MFP Coupon Valuation Period] in the period from (but excluding) the last occurring MFP Memory Snowball Date (or if none the Issue Date) to (but excluding) the relevant [MFP Coupon Valuation Date] [MFP Coupon Valuation Period]; [the sum of Rate $1_{(i)}$ for [last N MFP Coupon Valuation Date] [MFP Coupon Valuation Period] in the period from (but excluding) the last occurring MFP Memory Snowball Date (or if none the Issue Date) to (but excluding) the relevant [MFP Coupon Valuation Date] [MFP Coupon Valuation Period] less the sum of Rate $2_{(i)}$ for [the last N MFP Coupon Valuation Date] [MFP Coupon Valuation Period] in the period from (but excluding) the last occurring MFP Memory Snowball Date (or if none the Issue Date) to (but excluding) the relevant [MFP Coupon Valuation Date] [MFP Coupon Valuation Period]] (ii) if the MFP Memory Snowball Digital Coupon Condition is not satisfied in respect of [MFP Coupon Valuation $Date_{(i)}$][MFP Coupon Valuation $Period_{(i)}$] Rate $2_{(i)}$] **[MFP Range Accrual Coupon** Rate $1_{(i)}$ × (n/N) + Rate $2_{(i)}$ × (1 - n/N) where: ["**n**" is the number of MFP Range Accrual Days in the relevant MFP Coupon Valuation $Period_{(i)}$ on which the MFP Range Accrual Coupon Condition is satisfied;] ["**N**" is the number of MFP Range Accrual Days in the relevant MFP Coupon Valuation $Period_{(i)}$.]] **[MFP – Digital Mixed Coupon** (*Include all the relevant items and definitions in the Summary necessary to calculate the Additional Coupons*) (i) If the MFP Digital Mixed Coupon Condition is satisfied in respect of [MFP Coupon Valuation $Date_{(i)}$] [MFP Coupon Valuation Period(i)]: Mixed Coupon Constant $1_{(i)}$ + Mixed Coupon Gearing $1_{(i)}$ × Additional Coupon $1_{(i)}$ (ii) if the MFP Digital Mixed Coupon Condition is not satisfied in respect of [MFP Coupon Valuation $Date_{(i)}$]) [MFP Coupon Valuation $Period_{(i)}$]: Mixed Coupon Constant 2 $_{(i)}$ + Mixed Coupon Gearing $2_{(i)}$ × Additional Coupon $2_{(i)}$ where: ["**Mixed Coupon Constant $1_{(i)}$** " is [•];] ["**Mixed Coupon Constant $2_{(i)}$** " is [•];] ["**Mixed Coupon Gearing $1_{(i)}$** " is [•];] ["**Mixed Coupon Gearing $2_{(i)}$** " is [•];] ["**Additional Coupon $1_{(i)}$** " is [•];] ["**Additional Coupon $2_{(i)}$**" is [•];]] **[MFP – Double Digital Mixed Coupon** (i) If the MFP Double Digital Mixed Coupon Condition 1 is satisfied in respect of [MFP Coupon Valuation $Date_{(i)}$] [MFP Coupon Valuation $Period_{(i)}$] Mixed Coupon Constant $1_{(i)}$ + Mixed Coupon Gearing $1_{(i)}$ × Additional Coupon $1_{(i)}$ (ii) if the MFP Double Digital Mixed Coupon Condition 1 is not satisfied and MFP Double Digital Mixed Coupon Condition 2 is satisfied in respect of [MFP Coupon Valuation $Date_{(i)}$] [MFP Coupon Valuation $Period_{(i)}$] Mixed Coupon Constant 2 $_{(i)}$ + Mixed Coupon Gearing $2_{(i)}$ × Additional Coupon $2_{(i)}$

		(iii) if the MFP Double Digital Mixed Coupon Condition 1 and MFP Double Digital Mixed Coupon Condition 2 is not satisfied in respect of [MFP Coupon Valuation Date$_{(i)}$] [MFP Coupon Valuation Period$_{(i)}$] Mixed Coupon Constant 3 $_{(i)}$ + Mixed Coupon Gearing 3$_{(i)}$ × Additional Coupon 3$_{(i)}$ Where: ["**Mixed Coupon Constant 1$_{(i)}$**" is [•]; ["**Mixed Coupon Constant 2$_{(i)}$**" is [•]; ["**Mixed Coupon Constant 3$_{(i)}$**" is [•]; ["**Mixed Coupon Gearing 1$_{(i)}$**" is [•]; ["**Mixed Coupon Gearing 2$_{(i)}$**" is [•]; ["**Mixed Coupon Gearing 3$_{(i)}$**" is [•]; **[MFP Ratchet Coupon** [Max [Sum (q = 1, 2, …, Q$_{(i)}$) Max (Coupon Value$_{(q)}$ - Strike Percentage$_{(i)}$, Local Floor Percentage$_{(i)}$) , Global Floor Percentage$_{(i)}$]] [Max [Sum (q = 1, 2, …, Q$_{(i)}$) Max (Min (Coupon Value$_{(q)}$ - Strike Percentage$_{(i)}$, Local Cap Percentage$_{(i)}$),]]] **[Weighted Mixed Coupon** (*Include all the relevant items and definitions in the Summary necessary to calculate the Additional Coupons*) Sum (a = 1, 2, …, A) CW$_{(a)\,(i)}$ × Prod (b = 1, 2, …, B) Additional Coupon$_{(a,b)\,(i)}$ where: ["**CW**" is the relevant Coupon Weighting;] ["**A**" is [•];] ["**a**" is [•];] ["**b**" is [•];] ["**B**" is [•];] ["**Additional Coupon**"is [•];]] **[Max Mixed Coupon** (*Include all the relevant items and definitions in the Summary necessary to calculate the Additional Coupons*) [Max (a = 1, 2, …, A) [Additional Coupon$_{(i)}$]$_{(a)}$] [Min (a = 1, 2, …, A) [Max (a = 1, 2, …, A) Additional Coupon$_{(i,a)}$; Local Cap Percentage$_{(i,a)}$]] where ["**A**" is [•];] ["**a**" is [•];] ["**Additional Coupon$_{(i)}$** "is [•];] ["**Local Cap Percentage**" is [•];]] **[Single FX Vanilla Coupon** Min (Global Cap A, Max (Global Floor A, Gearing A ×FX Coupon Performance))]

[Single FI Digital Coupon

(i) if the FI Digital Coupon Condition is satisfied in respect of the relevant FI Remuneration Valuation Date:

$$\text{Min}\left(\text{Global Cap A}, \text{Max}\left(\text{Global Floor A}, \left(\sum_{i=1}^{n} \text{Gearing A}_{(i)} \times \text{FI Rate A}_{(i)}\right) + \text{Constant A}\right)\right); \text{or}$$

(ii) if the FI Digital Coupon Condition is not satisfied in respect of the relevant FI Remuneration Valuation Date:

$$\text{Min}\left(\text{Global Cap B}, \text{Max}\left(\text{Global Floor B}, \left(\sum_{i=1}^{n} \text{Gearing B}_{(i)} \times \text{FI Rate B}_{(i)}\right) + \text{Constant B}\right)\right)$$

]

[Single FX Digital Coupon

(i) if the FI Digital Coupon Condition is satisfied in respect of the relevant FI Remuneration Valuation Date:

$$\text{Min}\left(\text{Global Cap A}, \text{Max}\left(\text{Global Floor A}, \text{Gearing A} \times \text{FX Coupon Performance}\right)\right)$$

(ii) if the FI Digital Coupon Condition is not satisfied in respect of the relevant FI Remuneration Valuation Date:

$$\text{Min}\left(\text{Global Cap B}, \text{Max}\left(\text{Global Floor B}, \text{Gearing B} \times \text{FX Coupon Performance}\right)\right)$$]

[Range Accrual Coupon

$$Min\left\{Global\ Cap, Max\left(Global\ Floor, Min\left[Local\ Cap, Max\left(Local\ Floor, Global\ Margin + \sum_{i=1}^{n} \text{Gearing}_{(i)} \times \text{FI Rate}_{(i)}\right)\right] \times {}^{n}/_{N}\right)\right\}$$

where:

["**n**" is the number of Range Accrual Days in the relevant Range Period on which the Range Accrual Coupon Condition is satisfied;]

["**N**" is the number of Range Accrual Days in the relevant Range Period.]

[The FI DC Barrier Value for each Range Accrual Day in the period from (and including) the Range Cut-off Date to (and including) the Range Period End Date will be deemed to be the FI DC Barrier Value on the Range Cut-off Date]]

[Single FX Range Accrual Coupon

$$\text{Min}\left(\text{Global Cap}, \text{Max}\left(\text{Global Floor}, \text{FI Rate} \times n/N\right)\right)$$

where:

["**n**" is the number of Range Accrual Days in the relevant Range Period on which the Range Accrual Coupon Condition is satisfied;]

["**N**" is the number of Range Accrual Days in the relevant Range Period.]

[The FI DC Barrier Value or FX Coupon Performance for each Range Accrual Day in the period from (and including) the Range Cut-off Date to (and including) the Range Period End Date will be deemed to be the FI DC Barrier Value or FX Coupon Performance on the Range Cut-off Date].]

[Single FX Memory Coupon

		(i) if the FI Digital Coupon Condition is satisfied in respect of the relevant FI Remuneration Valuation Date: FI Rate A – Paid FX Memory Coupons; (ii) if the FI Digital Coupon Condition is not satisfied in respect of the relevant FI Remuneration Valuation Date: FI Rate B where: ["**Current FX Memory Coupon Remuneration Period**" means, in respect of a FI Remuneration Valuation Date, the Remuneration Period ending on or immediately prior to such FI Remuneration Valuation Date.] ["**Paid FX Memory Coupons**" means, in respect of a FI Remuneration Valuation Date, the sum of the values calculated for each Remuneration Period as the product of the Remuneration Rate and the Day Count Fraction, in each case calculated for each Remuneration Period preceding the Current FX Memory Coupon Remuneration Period.]] **[Multiple Combination Floater Coupon** $Min\left\{Global\ Cap, Max\left(Global\ Floor, Min\left(Local\ Cap, Max\left(Local\ Floor, Global\ Margin + \sum_{i=1}^{n} Gearing_i \times FI\ Rate_i\right)\right)\right)\right\}$] **[PRDC Coupon** [(A) if no Knock-in Event has occurred 0 (zero) (B) if a Knock-in Event has occurred: Min (Cap, Max (Floor, (Coupon Percentage 1 × PRDC Performance) - Coupon Percentage 2))] ; [Min (Cap, Max (Floor, (Coupon Percentage 1 × PRDC Performance) - Coupon Percentage 2))] **[** (A) if a Knock-in Event has occurred but a Knock-out Event has not occurred Min (Cap, Max (Floor, (Coupon Percentage 1 × PRDC Performance) - Coupon Percentage 2))]; (B) if a Knock-in Event and a Knock-out Event have occurred or a Knock-out Event has occurred 0 (zero)] where: "**PRDC Performance**" means the quotient of the Final Settlement Price (as numerator) and the Initial Settlement Price (as denominator).] **[Single FI Digital Floor Coupon** [(A) if no Knock-in Event has occurred, 0 (zero) ; (B) if a Knock-in Event has occurred and the FI Digital Floor Condition is satisfied in respect of the relevant FI Remuneration Valuation Date: Digital Floor Percentage 1; or

		(C) if a Knock-in Event has occurred and the FI Digital Floor Condition is not satisfied in respect of the relevant FI Remuneration Valuation Date Digital Floor Percentage 2;] [(A) if the FI Digital Floor Condition is satisfied in respect of the relevant FI Remuneration Valuation Date: Digital Floor Percentage 1; or (B) if the FI Digital Floor Condition is not satisfied in respect of the relevant FI Remuneration Valuation Date: Digital Floor Percentage 2] [(A) if no Knock-in Event has occurred, 0 (zero); or (B) if a Knock-in Event has occurred but a Knock-out Event has not occurred and the FI Digital Floor Condition is satisfied in respect of the relevant FI Remuneration Valuation Date: Digital Floor Percentage 1; or (C) in all other cases: Digital Floor Percentage 2]] **[Single FI Digital Cap Coupon** [(A) if no Knock-in Event has occurred, 0 (zero); (B) if a Knock-in Event has occurred and the FI Digital Cap Condition is satisfied in respect of the relevant FI Remuneration Valuation Date: Digital Cap Percentage 1; or (C) if a Knock-in Event has occurred and the FI Digital Cap Condition is not satisfied in respect of the relevant FI Remuneration Valuation Date Digital Cap Percentage 2;] [(A) if the FI Digital Cap Condition is satisfied in respect of the relevant FI Remuneration Valuation Date: Digital Cap Percentage 1; or (B) if the FI Digital Cap Condition is not satisfied in respect of the relevant FI Remuneration Valuation Date: Digital Cap Percentage 2;] [(A) if no Knock-in Event has occurred 0 (zero); or (B) if a Knock-in Event has occurred but a Knock-out Event has not occurred and the FI Digital Cap Condition is satisfied in respect of the relevant FI Remuneration Valuation Date: Digital Cap Percentage 1; or (C) in all other cases:

Digital Cap Percentage 2]]

[Single FI Target Coupon

If Automatic Early Settlement Event has not occurred, the Remuneration Rate, as applicable in respect of the Target Final Remuneration Period shall be [•].]

[Duration Adjusted Coupon

$$\text{Constant Percentage} + \text{Max}\left(0\,, \text{Rate}_{(i)} + \text{Spread}_{(i)}\right) \times \frac{1-\left(1+\text{Rate}_{(i)}\right)^{-N}}{\text{Rate}_{(i)}} / N\ ]$$

[FX Wedding Cake Remuneration

(i) if, at all times on each Remuneration Observation Date during the relevant Remuneration Period, the Settlement Price remains within Remuneration Range 1:
Notional Amount × Rate_1 [× Day Count Fraction]]

[

(ii) if at all times on each Remuneration Observation Date during the relevant Remuneration Period, the Settlement Price has, at least once, moved outside Remuneration Range 1 but has remained within Remuneration Range 2: Notional Amount × Rate_2 [× Day Count Fraction]

[

(iii) if at all times on each Remuneration Observation Date during the relevant Remuneration Period, the Settlement Price has, at least once, moved outside [Remuneration Range 1] [Remuneration Range 2] [[•] (other than Remuneration Range [•])] but has remained within Remuneration Range [•]:
Notional Amount × Rate_[•] [× Day Count Fraction]]
[

(iv) if none of the previous conditions has ben met, the Remuneration Amount shall be equal to zero.]

Where:

["**Remuneration Range 1**" is [•];]

["**Remuneration Range 2**" is [•];]

["**Remuneration Range [•]**" is [•];]

["**Rate_1**" is [•];]

["**Rate_2**" is [•];]

["**Rate_[•]**" is [•];]

["**Remuneration Observation Date**" means [•].]]

[***Insert if Coupon Switch is applicable***

[Coupon Switch:

[If [the Issuer elects that the [remuneration rate] be amended] [an Automatic Coupon Switch Event occurs], the remuneration rate of the Securities will be amended and on and after the Coupon Switch Date [notified to investors] [immediately following the occurrence of the Automatic Coupon Switch Event] the Securities will [pay the Post-Switch Coupon[s].]

[In respect of each Certificate, following the occurrence of a coupon switch, an Additional Switch Coupon Amount will be payable on the remuneratin payment date[s] specified in the applicable Final Terms as the Additional Switch Coupon Payment Date.]

		["**Additional Switch Coupon Amount**" means [*specify*];] ["**Automatic Coupon Switch Event**" means [*specify*].] ["**Additional Switch Coupon Payment Date**" means [*specify*]; ["**Additional Switch Coupon Payment Date(s)**" means [*specify*]; ["**Automatic Coupon Switch Level**" means [*specify*];] ["**Automatic Coupon Switch Range Level**" means [*specify*];] ["**Coupon Switch Date(s)**" means [*specify*];] ["**MFP ACS Value**" means [*specify*];] ["**MFP ACS Valuation Date**" means [*specify*];] ["**MFP ACS Valuation Period**" means [*specify*];]] ["**Post-Switch Coupon[s]**" means [*specify*];] [***Insert in the case of Credit Securities if Remuneration is Credit Linked***: If an Event Determination Date (being the occurrence of a Credit Event and satisfaction of certain conditions) occurs in respect of any Reference Entity, remuneration will cease to accrue on the relevant portion of each Credit Security (corresponding to a *pro rata* share per Credit Security of the [reference entity notional amount of the affected Reference Entity] [***Insert for Tranched Credit Securities***: writedown amount]) with effect from and including the [Remuneration Payment Date immediately preceding such Event Determination Date][Event Determination Date] or, if the Event Determination Date occurs during the first remuneration period, the Remuneration Commencement Date]. [*Insert if the Credit Securities are Bonus Remuneration Credit Securities:* The Credit Securities are Bonus Remuneration Credit Securities and therefore an additional amount shall be payable on [*Insert where "Final Payment" applies*: the Credit Securities Settlement Date][*Insert where "Running Basis" applies*: [*insert Bonus Remuneration Payment Dates*] ([each a][the] "**Bonus Remuneration Payment Date**")], in relation to the Credit Securities in an amount equal, in respect of each Credit Security, to [*insert initial Notional Amount per Credit Security*] multiplied by the Outstanding Bonus Remuneration Rate, multiplied by [*insert Bonus Remuneration Day Count Fraction*]. For these purposes the "**Outstanding Bonus Remuneration Rate**" means the rate equal to [*Insert if "Final Rate" applies*: [*insert Bonus Remuneration Rate*] less the aggregate of all Bonus Remuneration Writedown Rates determined on or prior to [*insert Bonus Remuneration Determination Date*][the Final Price Calculation Date][I*nsert if "Averaging Rate" applies*: [*insert Bonus Remuneration Rate*] less the arithmetic average of the Bonus Remuneration Writedown Rates determined for each day during the period commencing as of the previous Bonus Coupon Payment Date (or if none, the Issue Date) and concluding on the Bonus Remuneration Determination Date], subject to a minimum of zero. Bonus Remuneration Writedown Rate means, in respect of an Event Determination Date relating to a Reference Entity, the Incurred Loss Amount (if any) divided by [*insert Initial Notional Amount*]. "**Incurred Loss Amount**" means, for the purposes of calculating Bonus Remuneration Writedown Rates, in respect of a Reference Entity and the date on which the relevant final price is determined (the "**Final Price Calculation Date**"), an amount calculated on such Final Price Calculation Date equal to the lowest of: (a)

		the Loss Amount; (b) the aggregate of all Loss Amounts up to and including such date minus the Loss Threshold Amount on such Final Price Calculation Date, subject to a minimum of zero; and (c) [*insert initial Notional Amount*] multiplied by the Outstanding Bonus Remuneration Rate (prior to any reduction thereto in respect of that Reference Entity and Final Price Calculation Date). [*Insert if Incurred Recoveries: are applicable:* For the purposes of calculating Bonus Remuneration Writedown Rates the definition of "Incurred Recoveries" above shall also apply except that the reference to the outstanding notional amount therein shall be to [*insert initial Notional Amount*].] "**Loss Amount**" means, in respect of a Reference Entity and a Final Price Calculation Date, an amount calculated on that Final Price Calculation Date equal to 100 per cent., minus (unless the Credit Securities are also Zero Recovery Credit Securities), [***Insert if Auction Settlement applies***: the auction final price (being broadly the price determined by reference to a credit derivatives auction conducted by the determinations committee (the "**DC**") of the International Swaps and Derivatives Association ("**ISDA**")] [***Insert if Cash Settlement applies***: [Insert if specified Final Price: [•]][***Insert if weighted average final price applies***: the weighted average final price, which will be determined on a valuation date selected by the Calculation Agent on the basis of the bid quotations sought by the Calculation Agent from third party dealers for certain eligible obligations of the Reference Entity selected by the Calculation Agent], for that Reference Entity as of such Final Price Calculation Date; multiplied by the reference entity notional amount for that Reference Entity, as at the relevant Event Determination Date, subject to a minimum of zero. "**Loss Threshold Amount**" means, in respect of Bonus Remuneration Credit Securities, an amount equal to the [*insert Bonus Remuneration Implicit Portfolio Size*] multiplied by the [*insert Bonus Remuneration Attachment Point*].] [***Insert for Combination Credit Securities[1]:*** The Securities are Combination Credit Securities. The applicable provisions which apply in respect of Remuneration are: [*copy the relevant provisions from above depending on whether principal is treated as Single Reference Entity Credit Securities, Nth-to-Default Credit Securities, Basket Credit Securities, Tranched Credit Securities or Zero Credit Securities]*. These provisions apply to Remuneration as though the references to the principal amount above were to the Remuneration Amount payable. The principal in respect of the Combination Credit Securities is described above.] [***Insert if Maximum Remuneration Rate and/or Minimum Remuneration Rate is applicable:*** **Maximum Remuneration Rate and Minimum Remuneration Rate** The Remuneration Rate for the Remuneration Period[s] [●] will also be subject to a [[maximum][minimum] Remuneration Rate of [●]] [and] a [[maximum][minimum] Remuneration Rate of [●]] (*repeat for different remuneration periods if necessary*)] ***[Insert if Remuneration Barrier Event applies:*** **Remuneration Barrier Event**

[1] [To be updated if Combination Credit Securities would be addressed to retail investors.]

		Further to the occurrence of a remuneration barrier event the Securities will cease to pay remuneration with effect from: [*specify*]] ***[Insert if Remuneration Payment Condition apply:*** **Remuneration Payment Condition** The [remuneration amount][s] shall only be payable on the relevant Remuneration Payment Dates [●] upon the occurrence of the Remuneration Payment Condition. ["**Remuneration Payment Condition**" means [*specify*].] **[GENERAL FORMULAS DEFINITIONS** ["**AC Barrier Value**" means, [●];] ["**Additional Coupon**" means [●];] ["**Additional Coupon$_{(i)}$**" means [●];] ["**Additional Coupon 1**" means [●];] ["**Additional Coupon 1$_{(i)}$**" means [●];] ["**Additional Coupon 2**" means [●];] ["**Additional Coupon 2$_{(i)}$**" means [●];] ["**Additional Coupon 3**" means [●];] ["**Additional Coupon 3$_{(i)}$**" means [●];] ["**Additional Digital Coupon Condition**" means that the DC Barrier Value for the relevant [MFP Coupon Valuation Date] [MFP Coupon Valuation Period] is [greater than] [less than] [equal to or greater than] [less than or equal to] [the Barrier Level] [within the Barrier Range Level] [outside the Barrier Range Level];] ["**Additional Final Payout**" means [●];] ["**Additional Final Payout Weighting**" is [●];] ["**Additional Gearing**" means [●];] ["**Barrier Condition**" means that Coupon Value for the relevant Underlying Reference for the relevant MFP Valuation Date is [greater than] [less than] [equal to or greater than] [less than or equal to] the Barrier Level;] ["**Barrier Level**" means [●];] ["**Barrier Percentage**" means [●];] ["**Barrier Percentage Strike Price**" means [●];] **["Barrier Range Level"** means [●], [subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions];] ["**Bonus Coupon**" means [●];] ["**Bonus Level Percentage**" means [●];] ["**Bonus Level**" means [●];] ["**Bonus Percentage**" means [●];] ["**Bonus Percentage 1**" means [●];]

		["**Bonus Percentage 2**" means [•];] ["**Bonus Percentage 3**" means [•];] ["**Bonus Percentage 4**" means [•];] ["**Bonus Floor Percentage**" means [•];] ["**Cap Level Percentage**" means [•];] ["**Cap Level Percentage 1**" means [•];] ["**Cap Level Percentage 2**" means [•];] ["**Cap Level**" means [•];] ["**Cap Percentage**" is [•];] ["**Cap Percentage 1**" is [•];] ["**Cap Percentage 2**" is [•];] ["**Cap Percentage 3**" is [•];] ["**Cap**" means [•];] ["**Constant A**" means [•];] ["**Constant B**" means [•];] ["**Constant Percentage**" means [•];] ["**Constant Percentage 1**" means [•];] ["**Constant Percentage 2**" means [•];] ["**Constant Percentage 3**" means [•];] ["**Constant Percentage 4**" means [•];] ["**Constant Percentage 5**" means [•];] ["**Constant Percentage 6**" means [•];] ["**Constant Percentage 7**" means [•];] ["**Constant Percentage 8**" means [•];] ["**Constant Percentage 9**" means [•];] ["**Constant Percentage 10**" means [•];] ["**Constant Percentage 11**" means [•];] ["**Constant Percentage 12**" means [•];] ["**Constant Percentage 13**" means [•];] ["**Constant Percentage 14**" means [•];] ["**Constant Percentage 15**" means [•];] ["**Constant Percentage 16**" means [•];] ["**Constant Percentage 17**" means [•];] ["**Conversion Rate Early**" means the Conversion Rate on [the Relevant Automatic Early Settlement Valuation Date] [the relevant Optional Settlement Valuation Date];] [**"Conversion Rate Final**" means the Conversion Rate on the Valuation Date;] ["**Coupon Airbag Percentage 1**" means [•];] ["**Coupon Airbag Percentage 2**" means [•];] ["**Coupon Airbag Percentage**" means [•];]

		["**Coupon Cap**" means [•];] ["**Coupon Percentage**" means [•];] ["**Coupon Percentage 1**" means [•];] ["**Coupon Percentage 2**" means [•];] ["**Coupon Value**" means, [•];] ["**Coupon Weighting**" means [•];] ["**Cumulative Inflation Rate**" means Inflation $\text{Index}_{(i)}$/Inflation $\text{Index}_{(base)}$;] ["**DC Barrier Value**" means, in respect of [a MFP Coupon Valuation Date] [MFP Coupon Valuation Period] [•];] ["**Digital Cap Percentage 1**" means [•];] ["**Digital Cap Percentage 2**" means [•];] ["**Digital Coupon Condition**" means that the DC Barrier Value for the relevant [MFP Coupon Valuation Date] [MFP Coupon Valuation Period] is [greater than] [less than] [equal to or greater than] [less than or equal to] [the Barrier Level] [within the Barrier Range Level] [outside the Barrier Range Level];] ["**Digital Floor Percentage 1**" means [•];] ["**Digital Floor Percentage 2**" means [•];] ["**Digital Plus Percentage 1**" means [•];] ["**Digital Plus Percentage 2**" means [•];] ["**Double Digital Coupon Condition 1**" means that the DC Barrier Value for the relevant [MFP Coupon Valuation Date] [MFP Coupon Valuation Period] is [greater than] [less than] [equal to or greater than] [less than or equal to] [the Barrier Level] [within the Barrier Range Level] [outside the Barrier Range Level];] ["**Double Digital Coupon Condition 2**" means that the DC Barrier Value for the relevant [MFP Coupon Valuation Date] [MFP Coupon Valuation Period] is [greater than] [less than] [equal to or greater than] [less than or equal to] [the Barrier Level] [within the Barrier Range Level] [outside the Barrier Range Level];] ["**Down Cap Percentage**" means [•];] ["**Down Final Settlement Value**" means [•];] ["**Down Floor Percentage**" means [•];] ["**Down Strike Percentage**" means [•];] ["**Downside Participation Factor**" means [•];] ["**EDS Barrier Percentage**" means [•];] ["**Exchange Rate**" means [•];] ["**Exchange Rate Initial**" means the Exchange Rate on the Strike Date;] ["**Exchange Rate Final**" means the Exchange Rate on the Valuation Date;] ["**Express Amount**" means [•];] ["**FI Basket 1**" means [•];] ["**FI Basket 2**" means [•];] ["**FI Constant Percentage**" means [•];] ["**FI Constant Percentage 1**" means [•];] ["**FI DC Barrier Value**" means, in respect of a FI Remuneration Valuation Date and the Underlying Reference, the Underlying Reference Closing Value for such Underlying Reference;] ["**FI Digital Cap Condition**" means the FI Digital Value for the relevant FI Valuation Date is greater than or equal to the FI Digital Cap Level;]

		["**FI Digital Cap Level**" means [the FX Digital Level] [[•]];] ["**FI Digital Coupon Condition**" means: [that the FI DC Barrier Value for Underlying Reference 1 for the relevant FI Remuneration Valuation Date is] [the FX Coupon Performance for FI Basket 1 for the relevant FI Remuneration Valuation Date is [greater than] [less than] [equal to or greater than] [less than or equal to] the FI Upper Barrier Level [and] [greater than] [less than] [equal to or greater than] [less than or equal to] the FI Lower Barrier Level; [and] [or]] [that the FI DC Barrier Value for Underlying Reference 2 for the relevant FI Remuneration Valuation Date is] [that the FX Coupon Performance for FI Basket 2 for the relevant FI Remuneration Valuation Date is] [greater than] [less than][equal to or greater than] [less than or equal to], the FI Upper Barrier Level 2] [and] [greater than] [less than][equal to or greater than] [less than or equal to] the FI Lower Barrier Level 2]] ["**FI Digital Floor Condition**" means the FI Digital Value for the relevant FI Valuation Date is less than or equal to the FI Digital Floor Level;] ["**FI Digital Floor Level**" means [the FX Digital Level] [•] ;] ["**FI Digital Floor Percentage**" means [•];] ["**FI Digital Plus Condition**" means the FI Digital Value for the relevant FI Valuation Date is greater than the FI Digital Plus Level;] ["**FI Digital Plus Level**" means [the FX Digital Level] [•];] ["**FI Digital Value**" means, in respect of a FI Valuation Date, the Performance Value;] ["**FI Lower Barrier Level 2**" means [•];] ["**FI Lower Barrier Level**" means [•];] ["**FI Rate A**" means [•];] ["**FI Rate B**" means [•];] ["**FI Rate**" means [•];] ["**FI Remuneration Valuation Date**" means [•];] ["**FI Settlement Valuation Date**" means each [Settlement Price Date] [Pricing Date];] ["**FI Upper Barrier Level 2**" means [•];] ["**FI Upper Barrier Level**" means [•];] ["**FI Valuation Date**" means [FI Settlement Valuation Date] [an FI Remuneration Valuation Date] ;] ["**Final Coupon Rate**" means the Remuneration Rate calculated in respect of [the Current Remuneration Period] [Target Final Remuneration Period] (the "**Final Remuneration Period**");] ["**Final Day Count Fraction**" means the Day Count Fraction applicable to the Final Remuneration Period;] ["**Final Reference Level**" means: [the Settlement Price on the Valuation Date] [the arithmetic average of the Settlement Prices determined on each of the Averaging Dates];] ["**Final Remuneration Rate**" means: [[the Automatic Early Settlement Percentage] [Target Coupon Percentage] less Paid Coupon;]] [the product of the Final Coupon Rate and the Final Day Count Fraction;] [Min (Final Coupon Rate × Final Day Count Fraction, Automatic Early Settlement Percentage or Target Coupon Percentage, as applicable, – Paid Coupon);] [Max (Final Coupon Rate × Final Day Count Fraction, Automatic Early Settlement Percentage or Target Coupon Percentage, as applicable, – Paid Coupon).] ["**Final Settlement Condition**" means that: [[the FS Barrier Value for [the relevant MFP FS Barrier Valuation Date] [the MFP FS Barrier Valuation Period] is [greater than] [less than] [equal to or greater than] [less than or equal to] [the Final Settlement Condition Level] [within] [the Final Settlement Range Level] [outside] [the Final Settlement Range Level] (the "**Final Settlement Condition 1**")]; [and][or] [the FS Barrier Value 2 for [the relevant MFP FS Barrier Valuation Date] [the MFP FS Barrier Valuation

		Period] is [greater than] [less than] [equal to or greater than] [less than or equal to] [the Final Settlement Condition Level 2] [within] [the Final Settlement Range Level] [outside] [the Final Settlement Range Level] (the "**Final Settlement Condition 2**")]; ["**Final Settlement Condition Level**" means [•];] ["**Final Settlement Condition Level 2**" means [•];] **["Final Settlement Value 1"** means [•];] **["Final Settlement Value 2"** means [•];] **["Final Settlement Value 3"** means [•];] **["Final Settlement Value 4"** means [•];] **["FI Remuneration Valuation Date"** means [•];] ["**Final Settlement Value**" means [•];] ["**Final Settlement Price**" means [the Settlement Price on the relevant FI Valuation Date] [the arithmetic average of the Settlement Prices for all Averaging Dates] [the highest Settlement Price for all Averaging Dates] [the lowest Settlement Price for all Averaging Dates]; ["**Final Settlement Range Level**" means [•];] ["**Fixed Percentage**" is [•];] ["**Floor Percentage**" is [•];] ["**Floor Percentage 1**" is [•];] ["**Floor Percentage 2**" is [•];] ["**Floor**" means [•];] ["**FS Barrier Value**" means [•];] ["**FS Barrier Value 2**" means [•];] ["**FS Calculation Period**" means the period from (and including) [the Remuneration Payment Date, immediately preceding the Final Valuation Date] [the Issue Date] to (but excluding) the Final Valuation Date;] ["**FS Cap Percentage**" means [•];] "**FS Constant Percentage**" means [•];] ["**FS CSN Rate**" means a percentage calculated as the product of the FS Rate and the applicable FS Day Count Fraction;] ["**FS Day Count Fraction**" means [•];] ["**FS Exit Rate**" means [FS Rate] [FS up Rate] [FS CSN Rate];] ["**FS Floor Percentage**" means [•];] ["**FS Gearing**" means [•];] ["**FS Rate**" means [•];] ["**FS Spread**" means [•];] ["**FS Strike Percentage**" means [•];] ["**FS Up Rate**" means: [Min (Max (FS Floor Percentage, FS Gearing× (FS Value - FS Strike Percentage) +FS Spread),FS Cap Percentage)+FS Constant Percentage] ; [Max (FS Floor Percentage, FS Gearing × (FS Value - FS Strike Percentage) +FS Spread) + FS Constant Percentage]; ["**FS Value**" means, [•];]

		["**FX Coupon Performance**" means, in respect of [an FI Remuneration Valuation Date]: [the FX Coupon Performance Value];[the sum of the values calculated for each Alternative Currency in the Relevant Basket as the FX Coupon Performance Value for the relevant Alternative Currency for such FI Remuneration Valuation Date] [multiplied by the relevant FX Weighting]; [the highest FX Coupon Performance Value of any Alternative Currency in the Relevant Basket in respect of such FI Remuneration Valuation Date]; [the lowest FX Coupon Performance Value of any Alternative Currency in the Relevant Basket in respect of such FI Remuneration Valuation Date] [$\sum_{j=1}^{m}\sum_{i=1}^{n} G_j \times (W_i \times \text{FX Coupon Performance Value})$ where: ["$\mathbf{G_j}$" means, in respect of the basket of Alternative Currencies] [•]; ["$\mathbf{W_i}$" means [the FX Weighting for such Alternative Currency] [the sum of the values calculated in the Relevant Basket as the FX Coupon Ranked Value for the relevant Alternative/Base Currency for such FI Remuneration Valuation Date multiplied by the relevant FX Weighting;] ["**FX Coupon Performance Value**" means, in respect of an FI Remuneration Valuation Date and an Alternative Currency: [FX Final Remuneration Settlement Price − FX Initial Remuneration Settlement Price;] [FX Initial Remuneration Settlement Price − FX Final Remuneration Settlement Price] $[\left(\frac{\text{FX Final Remuneration Settlement Price}-\text{FX Initial Remuneration Settlement Price}}{\text{FX Final Remuneration Settlement Price}}\right)]$ $[\left(\frac{\text{FX Initial Remuneration Settlement Price}-\text{FX Final Remuneration Settlement Price}}{\text{FX Final Remuneration Settlement Price}}\right)]$ $[\left(\frac{1}{\text{FX Initial Remuneration Settlement Price}}\right)-\left(\frac{1}{\text{FX Final Remuneration Settlement Price}}\right)]$ $[\left(\frac{1}{\text{FX Final Remuneration Settlement Price}}\right)-\left(\frac{1}{\text{FX Initial Remuneration Settlement Price}}\right)]$ $[\left(\frac{\text{FX Final Remuneration Settlement Price}-\text{FX Initial Remuneration Settlement Price}}{\text{FX Initial Remuneration Settlement Price}}\right)]$ $[\left(\frac{\text{FX Initial Remuneration Settlement Price}-\text{FX Final Remuneration Settlement Price}}{\text{FX Initial Remuneration Settlement Price}}\right)]$ $[\frac{\text{FX Final Remuneration Settlement Price}}{\text{FX Initial Remuneration Settlement Price}}]$ $[\frac{\text{FX Initial Remuneration Settlement Price}}{\text{FX Final Remuneration Settlement Price}}]$ ["**FX Coupon Ranked Value**" means, in respect of an FI Remuneration Valuation Date, the FX Coupon Performance Value in respect of the [Alternative]/[Base] Currency with the FX Coupon Ranking in respect of such FI Remuneration Valuation Date;] ["**FX Coupon Ranking**" means, in respect of an FI Remuneration Valuation Date, the ordinal positioning of each [Alternative]/[Base] Currency by FX Coupon Performance Value from lowest FX Coupon Performance Value to greatest FX Coupon Performance Value in respect of such FI Remuneration Valuation Date;]

["**FX Digital Level**" means [•];]

["**FX Final Remuneration Settlement Price**" means, [the Settlement Price on the relevant FI Remuneration Valuation Date] [the arithmetic average of the Settlement Prices for all Averaging Dates in respect of the relevant FI Remuneration Valuation Date] [the highest Settlement Price for such [Alternative] [Base] Currency for all Averaging Dates in respect of the relevant FI Remuneration Valuation Date] [the lowest Settlement Price for such [Alternative] [Base] Currency for all Averaging Dates in respect of the relevant FI Remuneration Valuation Date;]

["**FX Initial Remuneration Settlement Price**" means, in respect of an Alternative Currency [•] [the Settlement Price for such Alternative Currency on the Strike Date] [the arithmetic average of the Settlement Prices for such Alternative Currency for all the Strike Days in the Strike Period] [the highest Settlement Price for such Alternative Currency for all the Strike Days in the Strike Period] [the lowest Settlement Price for such Alternative Currency for all the Strike Days in the Strike Period;]

["**FX Performance Value**" means, in respect of an FI Valuation Date:

[Final Settlement Price - Initial Settlement Price;]

[Initial Settlement Price - Final Settlement Price;]

$$\left[\left(\frac{\text{Final Settlement Price}-\text{Initial Settlement Price}}{\text{Final Settlement Price}}\right)\right]$$

$$\left[\left(\frac{\text{Initial Settlement Price}-\text{Final Settlement Price}}{\text{Final Settlement Price}}\right)\right]$$

$$\left[\left(\frac{1}{\text{Initial Settlement Price}}\right)-\left(\frac{1}{\text{Final Settlement Price}}\right)\right]$$

$$\left[\left(\frac{1}{\text{Final Settlement Price}}\right)-\left(\frac{1}{\text{Initial Settlement Price}}\right)\right]$$

$$\left[\left(\frac{\text{Final Settlement Price}-\text{Initial Settlement Price}}{\text{Initial Settlement Price}}\right)\right]$$

$$\left[\left(\frac{\text{Initial Settlement Price}-\text{Final Settlement Price}}{\text{Initial Settlement Price}}\right)\right]$$

$$\left[\frac{\text{Final Settlement Price}}{\text{Initial Settlement Price}}\right]$$

$$\left[\frac{\text{Initial Settlement Price}}{\text{Final Settlement Price}}\right]\ ]$$

["**FX Ranking**" means, in respect of an FI Valuation Date, the ordinal positioning of each [Alternative] [Base] Currency by FX Performance Value from lowest FX Performance Value to greatest FX Performance Value in respect of such FI Valuation Date;

["**FX Weighting**" means [•];]

["**FI Digital Floor Percentage**" means [•];]

["**Gearing**" means [•];]

["**Gearing A**" means [•];]

["**Gearing B** " means [•];]

		["**Gearing Down**" means [•];] ["**Gearing Up**" means [•];] ["**Global Cap**" means [•];] ["**Global Cap A**" means [•]; ["**Global Cap B**" means [•] ["**Global Floor**" means [•];] ["**Global Floor A**" means [•]; ["**Global Floor B**" means [•];] ["**Global Floor Percentage**" means [•];] ["**Global Margin**" means [•];] ["**i**" means [•];] ["***i***" means the relevant [MFP Valuation Date] [MFP Valuation Period];] ["**Inflation Index**$_{(base)}$" means, in respect of the Underlying Reference, the Underlying Reference Closing Value for the Underlying Reference on the Strike Date;] ["**Inflation Index**$_{(i)}$" means the Underlying Reference Closing Value for the Underlying Reference in respect of the relevant FI Valuation Date; ["**Inflation Index**$_{(i-1)}$" means the Underlying Reference Closing Value for the Underlying Reference on the immediately preceding FI Valuation Date (or, if none, the Strike Date);] ["**Inflation Rate**" means, in respect of a FI Valuation Date, [YoY Inflation Rate] [Cumulative Inflation Rate];] ["**Initial Reference Level**" is [•];] ["**Initial Settlement Price**" means, in respect of an Alternative Currency: [•] [the Settlement Price for such Alternative Currency on the Strike Date] [the arithmetic average of the Settlement Prices for such Alternative Currency for all the Strike Days in the Strike Period] [the highest Settlement Price for such Alternative Currency for all the Strike Days in the Strike Period] [the lowest Settlement Price for such Alternative Currency for all the Strike Days in the Strike Period] ["***j***" means the relevant Strike Date;] ["***k***" means the relevant Underlying Reference;] ["***K***" means the total number of Underlying References in the Basket;] ["**L**" means [•];] ["**Knock-in Event**" means [•];] ["**Knock-out Event**" means [•];] ["**Listing Date**" means, in respect of any Securities, the date on which such Securities are first admitted to trading on any stock exchange or other trading or quotation system;] ["**Local Cap**" means [•];] ["**Local Cap Percentage**" means [•];] ["**Local Cap Percentage**$_{(i)}$" means [•];] ["**Local Floor**" means [•];] ["**Local Floor Percentage**" means [•];] ["**Local Floor Percentage**$_{(i)}$" means [•];] ["**Loss Percentage**" means [•];]

		["**Loss Percentage 1**" means [•];] ["**Loss Percentage 2**" means [•];] ["**Lower Level**" means [•];] ["**M**" means a series of [MFP Valuation Dates] [MFP Valuation Periods];] ["**m**" means the relevant [MFP Valuation Date] [MFP Valuation Period];] ["**Maximum Payout Amount**" means [•];] ["**MFP Coupon Valuation Date**" means [•];] ["**MFP Coupon Valuation Period**" means [•];] ["**MFP Coupon Valuation Period$_{(i)}$**" means [•];] ["**MFP Digital Mixed Coupon Condition**" means that the Mixed Barrier Value for the relevant [MFP Coupon Valuation Date] [MFP Coupon Valuation Period] is [greater than] [less than] [equal to or greater than] [less than or equal to] [the Mixed Barrier Level] [within the Mixed Barrier Range Level] [outside the Mixed Barrier Range Level];] ["**MFP Double Digital Mixed Coupon Condition 1**" means that the Mixed Barrier Value for the relevant [MFP Coupon Valuation Date] [MFP Coupon Valuation Period] is [greater than][less than] [equal to or greater than] [less than or equal to] [the Mixed Barrier Level] [within the Mixed Barrier Range Level] [outside the Mixed Barrier Range Level];] ["**MFP Double Digital Mixed Coupon Condition 2**" means that the Mixed Barrier Value for the relevant [MFP Coupon Valuation Date] [MFP Coupon Valuation Period] is [greater than][less than] [equal to or greater than] [less than or equal to] [the Mixed Barrier Level] [within the Mixed Barrier Range Level] [outside the Mixed Barrier Range Level];] ["**MFP Date Weighting**" means, in respect of a MFP Valuation Date [•];] ["**MFP FS Barrier Valuation Date**" means [•];] ["**MFP FS Barrier Valuation Period**" means [•];] ["**MFP FS Valuation Date**" means each [Averaging Date] [Valuation Date] [Pricing Date][and][or] [Settlement Price Date] ["**MFP FS Valuation Period**" means [•];] ["**MFP Memory Snowball Date**" means [each date on which the relevant MFP Memory Snowball Digital Coupon Condition is satisfied] [the last day of any MFP Coupon Valuation Period in which the MFP Memory Snowball Digital Coupon Condition is satisfied];] ["**MFP Memory Snowball Digital Coupon Condition**" means that the Snowball Barrier Value for the relevant [MFP Coupon Valuation Date] [MFP Coupon Valuation Period] is [greater than][less than] [equal to or greater than] [less than or equal to] [the Snowball Level] [within the Barrier Range Level] [outside the Barrier Range Level];] ["**MFP Range Accrual Coupon Barrier Level Down** " means [•];] ["**MFP Range Accrual Coupon Barrier Level Up** " means [•];] ["**MFP Range Accrual Coupon Condition**" means: [that the AC Barrier Value for the relevant MFP Coupon Valuation Date is [greater than] [equal to or greater than] the relevant MFP Range Accrual Coupon Barrier Level Down][and] [less than] [less than or equal to] the relevant MFP Range Accrual Coupon Barrier Level Up] [that the AC Barrier Value for the relevant MFP Coupon Valuation Date is [equal to or greater] than MFP Range Accrual Coupon Barrier Level Down]; ["**MFP Range Accrual Day**" means [•];] ["**MFP Settlement Valuation Date**" means [•];] ["**MFP Settlement Valuation Period**" means [•];] ["**MFP Valuation Date**" means [•];]

		["**MFP Valuation Period**" means [•];] ["**Mixed Barrier Level**" means [•];] ["**Mixed Barrier Range Level**" means [•];] ["**Mixed Barrier Value**" means [•];] ["**Multiple Underlying Interest Rate Gearing**" means [•];] ["**Multiple Underlying Reference Rate**" means, [•];] ["**n**" means [•];] ["**N**" means [•];] ["**NA**" means the Notional Amount;] ["**nEnd days**" means [•];] ["**nStart days**" means [•];] ["**Notional Amount**" means [•];] ["**Observation Price Source**" means [•];] ["**Paid Coupon**" means, in respect of [an Automatic Early Settlement Valuation Date] [Target Determination Date] [the sum of the values calculated for each Remuneration Period as the product of the Remuneration Rate and the Day Count Fraction, calculated for each Remuneration Period preceding [the Current Remuneration Period] [the Target Final Remuneration Period];] ["**Parity**" means [•];] ["**Participation Factor**" means [•];] ["**Payout Currency**" means [•];] ["**Payout FX Closing Price Value**" means [•];] ["**Payout FX Rate Date**" means [•];] ["**Payout FX Rate Strike Date**" means [•];] ["**Payout FX Strike Closing Price Value**" means [•];] ["**Payout FX Value**" means, in respect of a Payout Currency the Payout FX Closing Price Value divided by the Payout FX Strike Closing Price Value;] ["**Performance of Components**" means an amount calculated by the Calculation Agent in respect of the Component in accordance with the following formula: [$\left[\frac{\textbf{Final Reference Level}}{\textbf{Initial Reference Level}}\right] - \mathbf{1}$] ; ["**Performance of Underlying 1**" means an amount calculated by the Calculation Agent in respect of the Underlying Reference identified as Underlying Reference 1 with the following formula: [$\left[\frac{\textbf{Final Reference Level}}{\textbf{Initial Reference Level}}\right] - \mathbf{1}$] **;** ["**Performance of Underlying 2**" means an amount calculated by the Calculation Agent in respect of the Underlying Reference identified as Underlying Reference 2 in accordance with the following formula: [$\left[\frac{\textbf{Final Reference Level}}{\textbf{Initial Reference Level}}\right] - \mathbf{1}$] **;** ["**Performance Value**" means, in respect of an FI Valuation Date [the FX Performance Value] [the sum of the values calculated for each Alternative Currency in the Basket as the FX Performance Value for the relevant Alternative Currency for such FI Valuation Date multiplied by the relevant FX Weighting] [the highest FX Performance Value of any Alternative Currency in the Relevant Basket in respect of such FI Valuation Date] [the lowest FX Performance Value of any Alternative Currency in the Relevant Basket in respect of such FI Valuation Date;] [

$$\sum_{j=1}^{m}\sum_{i=1}^{n} \mathrm{G}_j * \ (W_i * \text{FX Performance Value})$$

where:

["**G$_j$**" means, in respect of the basket of Alternative Currencies], [•];]

["**W$_i$**" means, in respect of an Alternative Currency [the FX Weighting for such Alternative Currency] [the sum of the values calculated for each Alternative/Base Currency in the Relevant Basket as the Ranked Value for the relevant Alternative Currency for such FI Valuation Date multiplied by the relevant FX Weighting];]

["**Premium**" means [•];]

["**Premium Percentage**" means [•];]

["**Protection Factor**" means [•];]

["**Protection Level**" means [•];]

["**Q**" is a series of MFP Valuation Dates in [MFP Valuation Period$_{(i)}$] [Calculation Period$_{(i)}$];]

["**q**" means the relevant [Observation Date] [MFP Valuation Date];]

["**Range Accrual Coupon Barrier Level Down 2**" means [•];]

["**Range Accrual Coupon Barrier Level Down**" means [•];]

["**Range Accrual Coupon Barrier Level Up 2**" means [•];]

["**Range Accrual Coupon Barrier Level Up**" means [•];]

["**Range Accrual Coupon Condition**" means:

[that the FI DC Barrier Value for Underlying Reference 1 for the relevant Range Accrual Day is][that the FX Coupon Performance for FI Basket 1 for the relevant FI Remuneration Valuation Date is] [greater than], [less than][equal to or greater than] [less than or equal to] the relevant Range Accrual Coupon Barrier Level Down] [[and] [greater than][less than][equal to or greater than] [less than or equal to] the relevant Range Accrual Coupon Barrier Level Up]]; [and][or]

[that the FI DC Barrier Value for Underlying Reference 2 for the relevant Range Accrual Day is] [that the FX Coupon Performance for FI Basket 2 for the relevant FI Remuneration Valuation Date is] [greater than] [less than][equal to or greater than] [less than or equal to] the relevant Range Accrual Coupon Barrier Level Down 2]] [[and] [greater than][less than][equal to or greater than] [less than or equal to] the relevant Range Accrual Coupon Barrier Level Up 2];]

["**Range Accrual Day**" means [•];]

["**Range Cut-off Date**" means [•];]

["**Range Period End Date**" means [•];]

["**Range Period**" means [•];]

["**Ranked Value**" means, in respect of an FI Valuation Date [the FX Performance Value] in respect of the [Alternative][Base] Currency with the FX Ranking in respect of the relevant FI Valuation Date;]

["**Rate**" means [•];]

["**Rate$_{(i)}$**" means [•];]

["**Rate 1$_{(i)}$**" means [•];]

["**Rate 2$_{(i)}$** means [•];]

["**Relevant Basket**" means [FI Basket 1] [FI Basket 2];]

["**Relevant Level**" means [•];]

["**Reverse Capped Securities Percentage 1**" means [•];]

["**Reverse Capped Securities Percentage 2**" means [•];]

		["**Reverse Capped Securities Percentage 3**" means [•];] ["**Reverse Capped Securities Percentage 4**" means [•];] ["**Reverse Capped Securities Percentage 5**" means [•];] ["**Reverse Level**" means [•];] ["**Reverse Percentage**" means [•];] ["**Settlement Payout**" means [•];] ["**Settlement Price Final**" means the Settlement Price on the Valuation Date;] ["**Snowball Barrier Value**" means [•];] ["**Snowball Level**" means [•];] ["**Speed Factor**" means [•];] ["**Spread**" means [•];] ["**Spread$_{(i)}$**" means [•];] ["**Strike Level**" means: [the Closing Level] [the Closing Price] [the Italian Securities Reference Price] [the Relevant Price] [the Settlement Price] [the NAV per Fund Share] on the Strike Date;] ["**Strike Percentage**" means [•];] ["**Strike Price**" means [•];] ["**T**" means [the relevant Observation Date] [MFP Valuation Date];] ["**Target Coupon Percentage**" means [•];] ["**Target Determination Date**" means [•];] ["**Target Final Remuneration Period**" means the Remuneration Period ending on the Settlement Date;] ["**Underlying Reference 1"** means [•];] ["**Underlying Reference 2"** means [•];] ["**Underlying Reference Closing Value**" means, in respect of a FI Valuation Date: [the Relevant Level)] [the Underlying Reference Rate] [the value calculated in accordance with the following formula: $\sum_{i=1}^{n}$ Multiple Underlying Interest Rate Gearing $_{(i)}$ × Multiple Underlying Reference Rate $_{(i)}$] [the Settlement Price] [FX Coupon Performance Value];] ["**Underlying Reference Initial**" means [•];] ["**Underlying Reference Level**" means [•];] ["**Underlying Reference Weighting**" means [•];] ["**Underlying Reference**" means [•];] ["**Up Cap Percentage**" means [•];] ["**Up Final Settlement Value**" means [•];] ["**Up Floor Percentage**" means [•];] ["**Up Strike Percentage**" means [•];] ["**Upper Level**" means [•];] ["**Upside Participation Factor**" means [•];] ["**Vanilla Call Rate**" means: Constant Percentage$_{(i)}$+ Gearing$_{(i)}$ ×Max (Coupon Value$_{(i)}$ - Strike Percentage$_{(i)}$+Spread$_{(i)}$,Floor Percentage$_{(i)}$);]

["**Vanilla Call Spread Rate**" means:

Constant Percentage$_{(i)}$+Gearing$_{(i)}$ ×Min (Max(Coupon Value$_{(i)}$ - Strike Percentage$_{(i)}$ +Spread$_{(i)}$,Floor Percentage$_{(i)}$);Cap Percentage$_{(i)}$).]

["**YoY Inflation Rate**" means Inflation Index$_{(i)}$/Inflation Index$_{(i-1)}$ – 1.]

[ADDITIONAL DEFINITIONS FOR SINGLE FINAL PAYOUT - CAPITALISED CALL AND PUT SECURITIES, AUTOMATIC EARLY SETTLEMENT PAYOUT CAPITALISED CALL AND PUT SECURITIES 1 AND PUT PAYOUT CAPITALISED CALL AND PUT SECURITIES

"**Capitalised Exercise Price**" or "**CEP$_t$**" means, in respect of a calendar day (day$_t$), an amount calculated as follows and rounded [upwards] [downwards], [provided that CEP$_t$ for any day from and including the Issue Date to and including the Listing Date shall be equal to the Exercise Prices]:

[

$$\mathrm{CEP}_{t} = \mathrm{CEP}_{t-1} * (1 + \text{Financing Rate}_{t-1})^{1/360}$$

]

[where day$_t$ is an Ex-Dividend Date, the Capitalised Exercise Price will be calculated as follows and rounded [upwards] [downwards]:

[CEP$_t$ = CEP$_{t-1}$ × (1 + Financing Rate$_{t-1}$)$^{1/360}$ – Dividend Adjustment Amount]]

[where day$_t$ is a Futures Rollover Date, the Capitalised Exercise Price will be calculated as follows and rounded [upwards] [downwards]:

[CEPt = CEPt-1 × (1 + Financing Rate $_{t-1}$)$^{1/360}$ – Futures Rollover Adjustment Amount]]

[where day$_t$ is an Ex-Dividend Date, the Capitalised Exercise Price will be calculated as follows and rounded [upwards] [downwards]:

[CEPt = CEPt-1 × (1 + Financing Rate$_{t-1}$)$^{1/360}$ + Applicable Withholding Tax]]

for the purposes of this definition:

["**Applicable Withholding Tax**" means an amount calculated by the Calculation Agent equal to the taxes deducted or withheld at source by or on behalf of any applicable authority having the power to tax in respect of the cash dividends and/or other cash distributions payable in respect of the relevant Index Share related to the Ex-Dividend Date pursuant to any applicable double taxation treaty or domestic law prevailing at the time of the distribution;]

["**CEP$_{t-1}$**" means the Capitalised Exercise Price applicable on day$_{t-1}$, provided that the Capitalised Exercise Price applicable on the Issue Date shall be equal to the Exercise Price;]

["**Dividend Adjustment Amount**" means, in respect of an Ex-Dividend Date, an amount determined by the Calculation Agent equal to:

[the sum of the cash dividends [and][or] other cash distributions payable in respect of [the Underlying Reference] [each Index Share] [related to such Ex-Dividend Date less applicable taxes deducted or withheld at source by or on behalf of any applicable authority having power to tax in respect of such dividend pursuant to the applicable double taxation treaty or domestic law prevailing at the time of distribution] [the sum of the gross cash dividends [and][or] other cash distributions payable in respect of [the Underlying Reference] [each Index Share]][multiplied by the Dividend Percentage];]

["**Dividend Percentage**" means [•];]

["**Exercise Price**" means [•];]

["**Financing Rate$_{t-1}$**" means, the Financing Rate applicable on day$_{t-1}$;]

["**Futures Rollover Adjustment Amount**" means an amount, which may be positive or negative, calculated by the Calculation Agent representing the cost to the Issuer and/or its Affiliates of unwinding its hedging arrangements in [the Current Exchange-traded Contract] [the relevant Futures Contract], less the cost to the Issuer and/or its Affiliates of establishing hedging arrangements in the next [Current Exchange-traded Contract] [Futures Contract], in respect of the relevant Futures Rollover Date, such amount to be allocated *pro rata* amongst the Certificates.

		The Capitalised Exercise Price will be made available (subject to technical failure) during normal business hours on any Local Business Day during the term of the Certificates, on the CEP Website(s) or such other website as may be notified to the Securityholders;] ["**Conversion Rate**" means [•];] ["**Ex-Dividend Date**" means with respect to the [Share] [ETI Interest (in respect of which a dividend is paid)] [share comprising an Index (an "**Index Share**")] the date on which such [Share] [ETI Interest] [Index Share] becomes "ex-dividend" as determined by the Calculation Agent;] ["**Final Price**" means [the Settlement Price] [the Relevant Price] on the Valuation Date;] ["**Final Price Early**" [•];] ["**Financing Rate**" means in respect of a calendar day (day_t), the rate calculated as Financing Rate Percentage + Interbank Rate 1 – Interbank Rate 2;] ["**Financing Rate Percentage**" [•];] ["**Financing Rate Range**" means [•];] ["**Interbank Rate 1**" means [the offered quotation which appears on the Interbank Rate 1 Screen Page at the Interbank Rate 1 Specified Time on day_t as determined by the Calculation Agent. In the event that the Interbank Rate 1 Screen Page is not available or no such offered quotation appears, the Calculation Agent will determine the Interbank Rate 1 as the rate it determines would have prevailed but for such non-availability or other event acting in good faith and in a commercially reasonable manner;] ["**Interbank Rate 1 Screen Page**" means [•];] ["**Interbank Rate 1 Specified Time**" means [•];] ["**Interbank Rate 2**" means [the offered quotation which appears on the Interbank Rate 2 Screen Page at the Interbank Rate 2 Specified Time on day_t as determined by the Calculation Agent. In the event that the Interbank Rate 2 Screen Page is not available or no such offered quotation appears, the Calculation Agent will determine the Interbank Rate 2 as the rate it determines would have prevailed but for such non-availability or other event acting in good faith and in a commercially reasonable manner;] ["**Interbank Rate 2 Screen Page**" means [•];] ["**Interbank Rate 2 Specified Time**" means [•];] ["**Local Business Day**" means a day (other than a Saturday or a Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the Local Business Day Centre(s);] ["**Observation Price**" means [•];] ["**Observation Price Source**" means [•];] ["**Observation Time(s)**" means [•];] ["**Parity**" means [•];] ["**Relevant Business Day**" means [•];] ["**Reset Date**" means [•];] ["**Security Percentage**" means [•];] ["**Security Threshold**" means the amount calculated as follows by the Calculation Agent and rounded [upwards] [downwards] in accordance with the Security Threshold Rounding Rule: [an amount equal to the product, rounded in accordance with the Security Threshold Rounding Rule of the Capitalised Exercise Price as at the relevant Reset Date and one, plus the Security Percentage] [an amount equal to the product, rounded in accordance with the Security Threshold Rounding Rule of the Capitalised Exercise Price as at the relevant Reset Date and one, minus the Security Percentage].] ["**Settlement Currency**" means [•];] ["**Underlying Reference**" means [•];]

		["**Valuation Date**" means: [●];]
C.19	**Exercise price or final reference price of the underlying**	The final reference price of the underlying will be [settlement price on the Settlement Valuation Date] [the average of the settlement prices on each of the Averaging Dates]
C.20	**Description of the type of the underlying and the relevant source of information**	**Type**: [Basket of] [ind[ex][ices]] [future contract[s] on index] [option contract[s] on index] [share[s]] [global depositary receipt[s] ("GDR")], [American depositary receipt[s] ("**ADR**")] [interests in [an exchange traded fund[s]] [exchange traded note[s]] [exchange traded commodity[y][ies]] [exchange traded product[s]] (the "**exchange traded instrument[s]**")] [debt instrument[s]] [debt future[s]] [debt options contract[s]], [commodity[y][ies] [commodity ind[ex][ices]] [inflation ind[ex][ices]] [currenc[y][ies]] [currency futures contract[s]], [fund shar[e][s]] [fund uni[t][s]], [underlying interest rat[e][s]] [CMS rate] [Information on the historical and ongoing performance of the Underlying Reference[s] [and its/their volatility] can be obtained [on the public website [●] and] on the [Bloomberg] [Reuters] page [●] [and at the offices of the Issuer at [Piazzetta E. Cuccia, 1, 20121 Milan, Italy] [4, Boulevard Joseph II, L-1840 Luxembourg, Luxembourg]. [The "**Reference Entity(ies)**" [is][are][*insert Reference Entity(ies)*][each constituent of: [*insert index name or Relevant Annex*]. The "**Transaction Type**" in respect of each Reference Entity is [*set out*][as set out in *insert index name or Relevant Annex*]. Information on the Reference Entity(ies) can be obtained from: [*insert Bloomberg page/similar.*] [The Underlying Reference specified in [●]. Information on the Underlying Reference can be obtained from [●]]

Section D – Risks

Element	Description of Element	Disclosure requirement

D.2	**Key risks specific to the Issuer and Guarantor**	There are certain factors that may affect each Issuer's ability to fulfil its obligations under Securities issued under the Programme. These include the following risk factors related to the Mediobanca Group, its operations and its industry: (i) The general economic conditions, the performance of financial markets, interest rate levels, currency exchange rates, changes in laws and regulation, changes in the policies of central banks, particularly the Bank of Italy and the European Central Bank, and competitive factors can change the level of demand for the Issuer's products and services, the credit quality of borrowers and counterparties, the interest rate margin of the Issuer between lending and borrowing costs and the value of each of the relevant Issuer's investment and trading portfolios (ii) The European sovereign debt crisis has adversely affected, and may continue to adversely affect, the Issuer's results of operations, business and financial conditions. (iii) The Mediobanca Group has exposure to Eurozone sovereign debt. (iv) Fluctuations in interest and exchange rates may affect the Issuer's results. (v) The results of the Issuer are affected by general economic, financial and other business conditions. (vi) The credit and capital markets have been experiencing extreme volatility and disruption in recent months. (vii) Each of the Issuer's investment banking revenues, in the form of financial advisory and debt and equity underwriting fees, are directly related to the number and size of the transactions in which the relevant Issuer participates and may be impacted by continued or further credit market dislocations or sustained market downturns. (viii) In some of each relevant Issuer's businesses, protracted adverse market movements, particularly asset price declines, can reduce the level of activity in the market or reduce market liquidity. (ix) In the event that the extreme volatility and disruption experienced by international and domestic markets in recent months continue in the future, the Issuer's liquidity can be adversely affected. (x) If the Issuer is unable to continue to respond to the competitive environment in Italy with attractive product and service offerings that are profitable for the Issuer, it may lose market share in important areas of its business or incur losses on some or all of its activities. (xi) If existing or potential customers believe that the Issuer's risk management policies and procedures are inadequate, the Issuer's reputation as well as its revenues and profits may be negatively affected. (xii) If existing or potential customers believe that the Issuer's risk management policies and procedures are inadequate, the Issuer's reputation as well as its revenues and profits may be negatively affected (xiii) Each of the Issuers, like all financial institutions, is exposed to many types of operational risk, including the risk of fraud by employees and outsiders, unauthorised transactions by employees or operational errors, including errors resulting from faulty computer or telecommunication systems (xiv) Systemic risk could adversely affect the Issuer's businesses. (xv) The investors should note that the portfolio of the Issuer contains so- called "over the counter"

		(OTC) derivatives. If the financial condition of market counterparties or their perceived creditworthiness deteriorates further, the Group may record further credit valuation adjustments on the underlying instruments insured by such parties. (xvi) A downgrade of Mediobanca's rating may limit Mediobanca's opportunities to extend mortgage loans and may have a particularly adverse effect on Mediobanca's image as a participant in the capital markets, as well as in the eyes of its clients. (xvii) Changes in the Italian and European regulatory framework could adversely affect the Issuer's business. (xviii) The guarantee given by the Guarantor is capped at 110 per cent. of the aggregate notional amount of any Tranche of the Securities and 110 per cent. of the remuneration on such securities due but not paid.
D.6	**Key risks specific to the securities**	In addition, there are certain factors which are material for the purpose of assessing the risks related to Securities. **General** The Securities may not be a suitable investment for all investors. [Investors should be aware that they may lose [the value of their entire investment] [or part of it, as the case may be]/[part of their investment]]. An investment in the Securities, which are linked to the Underlying References, may entail significant risks not associated with investments in conventional securities such as debt or equity securities. Set out below is a description of the most common risks. **Risks related to the structure of a specific issue of Securities** The Securities involve a high degree of risk, which may include, among others, interest rate, foreign exchange, time value and political risks. Investors should be prepared to sustain a partial or total loss of the subscription or purchase price of the Securities. Certain general risk factors related to the Securities referencing an Underlying Reference, including that the market price of the Securities may be volatile; that investors may receive no remuneration; that investors may lose all or a substantial portion of their principal in case of non-capital guaranteed Securities; that the Underlying References may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other securities or indices; that the timing of changes in an Underlying Referencemay affect the actual yield to investors, even if the average level is consistent with their expectations; [that with respect to Physical Delivery Securities, there is no assurance that the value of the Entitlement received will not be less than the trading price of the Securities]; and Securities are of limited maturity and, unlike direct investments in a [share] [index] [fund] [currency] [debt instrument] [fund] [exchange traded instrument] [inflation index] [future] [interest rate] [commodity] [or other asset], investors are not able to hold Securities beyond the Settlement Date in the expectation of a recovery in the price of the underlying. [An active secondary market may never be established or may be illiquid and this may adversely affect the value at which an investor may sell its Securities (investors may suffer a partial or total loss of the amount of their investment).] [The Issuer may, but is not obliged to, list or ask for admission to trading of Securities on a stock exchange or a trading venue. If the Securities are listed or admitted to trading on any stock exchange or trading venue, there can be no assurance that at a later date, the Securities will not be delisted or that trading on such stock exchange or trading venue will not be suspended. [The Issuer or any of its Affiliates may, but is not obliged to, be a market-maker for an issue of Securities. However, during certain periods, it may be difficult, impractical or impossible for the entity acting as

		market-maker to quote bid and offer prices.] [Securities including leverage involve a higher level of risk and whenever there are losses on such Securities those losses may be higher than those of a similar security which is not leveraged;] [Securities are unsecured obligations;] [*insert in case of Cash Settled Securities*: The Cash Settlement Amount] [*insert in cas of Physical Delivery Securities*: the value of the Entitlement [less the Exercise Price] (the "**Physical Settlement Value**")] at any time prior to expiration is typically expected to be less than the trading price of such Securities at that time. The difference between the trading price and the [Cash Settlement Amount] [the Physical Settlement Value], will reflect, among other things, a "time value" for the Securities. [The meetings of Securityholders provisions permit defined majorities to bind all Securityholders;] [In certain circumstances Securityholders may lose the entire value of their investment;] [The Terms and Conditions of the Securities also provide that the Fiscal Agent and the relevant Issuer may, without the consent of Securityholders, agree to certain modifications to the conditions of the Securities.] [The Securities may have a minimum trading amount and if, following the transfer of any Securities, a Securityholder holds fewer Securities than the specified minimum trading amount, such Securityholder will not be permitted to transfer their remaining Securities prior to settlement without first purchasing enough additional Securities in order to hold the minimum trading amount;] [Certain conflicts of interest may arise (see Element E.4 below);] [Prospective investors intending to purchase Securities to hedge against the market risk associated with investing in the Underlying Reference(s) should recognise the complexities of utilising Securities in this manner.] [Bull and Bear Certificates (Single Final Payout - Leverage Factor Securities) are designed for short term trading or intraday trading only because they are valued on the basis of their compounded daily performance.] [The terms of the Securities contain no negative pledge, and the Issuer is not prohibited from incurring additional debt.] [There are no events of default under the Securities] [Expenses and taxation may be payable in respect of the Securities.] [It is not possible to predict whether the taxation regime applicable to Securities on the date of purchase or subscription will be amended during the term of the Securities.] [The Terms and Conditions of the Securities are based on [English law][Italian law] in effect as at the date of this Base Prospectus, except for the status provisions applicable to the Securities and the contractual recognition of bail-in powers provisions, and any non contractual obligations arising out of or in connection with such provisions, which shall be governed by, and construed in accordance with, [Italian law] [Luxembourg law]. No assurance can be given as to the impact of any possible judicial decision or change to [English law][Italian law] [Luxembourg law] or administrative practice after the date of this Base Prospectus.] [The risks associated with the Securities being represented by one or more Global Securities, which will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg.] [The Securities are Italian Dematerialised Securities and investors will have to rely on the procedures of Monte Titoli and the financial intermediaries authorised to hold accounts therewith, for transfer, payment and communication with the Issuer [or Guarantor].]

		[If the Issuer determines that its performance under any Securities has, or that any arrangements made to hedge the relevant Issuer's obligations under any Securities have become, (i) illegal in whole or in part for any reason, or (ii) by reason of a force majeure event (such as an act of God, fire, flood, severe weather conditions, or a labour dispute or shortage) or an act of state, impossible or impracticable, the relevant Issuer may settle such Securities.] [The Issuer will not provide post-issuance information in relation to the Underlying Reference.] [As a consequence of [[the exercise of a [Coupon Switch Election] or [Payout Switch Election] [or the occurrence of an [Automatic Coupon Switch Event] [or Automatic Payout Switch Event], the Underlying Reference may be changed. As the payout on such Securities may be switched during the life of the Securities investors may receive a return which differs from, and may be significantly less than, that which they expected to receive or they may receive no return.] [The risks associated with it being impossible to know the amount of the Securities in circulation on the date of issue.] [The issuance of further tranches of Securities could have a negative impact on the price of the Securities.] [Risks associated with a Settlement Disruption Event occurring with respect to physically settled Securities.] [Some of the terms of the Securities are not known at the issue date as they will be determined on the Strike Date. Following the Strike Date, the Issuer will give notice of the actual terms. Prospective investors should review the Final Terms together with theinformation contained in the notice in order to ascertain the actual terms of the Securities.] [The Securities include an Automatic Early Settlement feature. The longer the time remaining until the scheduled settlement date of the Securities, the higher the probability that an Automatic Early Settlement Event will occur.][in sucha a case, the Securityholder may lose some or all of their investment in the Securities]. [The price of the Securities include a premium, which includes the cost to the Issuer or its Affiliates of unwinding its hedging positions in relation to the Securities on early settlement of the Securities. The Securityholder will not receive a refund of this premium if an Automatic Early Settlement Event occurs.] [Risks associated with Administrator/Benchmark Event] [Future discontinuance of LIBOR may adversely affect the value of the Securities] [If LIBOR, EURIBOR or any other benchmark is discontinued, the applicable floating remuneration rate or Underlying Interest Rate may be changed in ways that may be adverse to Holders of such Securities] **Considerations Associated with specific types of Securities** [Capital Protection Securities [Investors may be exposed to a partial loss of their investment.] The return on the Securities depends on the performance of the Underlying Reference(s) [and the application of [automatic early settlement] features] and on whether the final value of the Underlying Reference(s) is at, above, or below a protection level.]] [Risks associated with Yield Enhancement Securities [Investors may be exposed to a [partial] [or] [total] loss of their investment.] The return on the Securities depends on the performance of the Underlying Reference(s) [and the application of [a cap] [knock-out] [and] [automatic early settlement features]. [Risks associated with Participation Securities [Investors may be exposed to a [partial] [or] [total] loss of their investment.] The return on the Securities depends on the performance of the Underlying Reference(s) [and the application of [knock-in] [knock-out]

		[and] [automatic early settlement] features.] [Risks associated with Leverage Securities [Investors may be exposed to a [partial] [or] [total] loss of their investment.] The return on the Securities depends on the performance of the Underlying Reference(s) and [and the application of [knock-in] [knock-out] [and] [automatic early settlement] features. [Additionally, the return may depend on other market factors such as interest rates, the implied volatility of the Underlying Reference(s) and the time remaining until settlement.] [The effect of leverage on the Securities may be either positive or negative.]] [Risks associated with Constant Leverage Securities [Investors may be exposed to a [partial] [or] [total] loss of their investment.] The return on the Securities depends on the daily performance of the Underlying Reference(s) [and the application of [an automatic early settlement feature]. Constant Leverage Securities are generally suited to short term investments intraday or over a few days. Investments held for a longer period of time may be affected by volatile market conditions which may have a negative impact on the performance of the Underlying Reference(s).] [Risks associated with Multiple Final Payout – Constant Percentage Securities Investors receive a fixed return on the Securities. [This payout is used in conjunction with [•] other payout[s] to provide investors with [partial] [total] capital protection.] [Risks associated with Multiple Final Payout – Normal Performance Securities [Investors may be exposed to a [partial] [or] [total] loss of their investment.] The return on the Securities depends on the performance of the Underlying Reference(s) and [and the application of [participation factor] [gearing] [cap] [floor] [automatic early settlement] features.] [Risks associated with Multiple Final Payout – Performance Differential Securities [Investors may be exposed to a [partial] [or] [total] loss of their investment.] The return on the Securities depends on differential in performance between two Underlying References [and the application of [a participation factor] [automatic early settlement features]. [Risks associated with Multiple Final Payout - Reverse Convertible Securities [Investors may be exposed to a [partial] [or] [total] loss of their investment.] The return on the Securities depends on the performance of the Underlying Reference(s) [and the application of a [knock-in] [knock-out] event occurs [and automatic early settlement features].] [Risks associated with Multiple Final Payout - Vanilla Securities [Investors may be exposed to a [partial] [or] [total] loss of their investment.] The return depends on the performance of the Underlying Reference(s) [and the application of knock-in] [knock-out] features [and automatic early settlement] features.] [Risks associated with Multiple Final Payout - Asian Securities [Investors may be exposed to a [partial] [or] [total] loss of their investment.] The return on the Securities depends on the performance of the Underlying Reference(s), which is determined using an averaging method. [The return will also depend on the application of [a cap] [lock-in] [automatic early settlement] features.]] [Risks associated with Multiple Final Payout - Step Securities [Investors may be exposed to a [partial] [or] [total] loss of their investment.] The return on the Securities depends on the performance of the Underlying Reference(s) [and the application of [knock-in] [knock out] [automatic early settlement] features]. [Risks associated with Multiple Final Payout - Performance Securities [Investors may be exposed to a [partial] [or] [total] loss of their investment.] The return on the Securities

		depends on the performance of the Underlying Reference(s) [and the application of [knock-in] [knock-out] [automatic early settlement] features. [If an automatic early settlement event occurs investors may be exposed to a [partial] [total] loss of their investment.] [Risks associated with Multiple Final Payout – Capped and Floored Ratchet Securities [Investors may be exposed to a [partial] [or] [total] loss of their investment.] The return on the Securities depends on the performance of the Underlying Reference(s) and is calculated based on the sum of returns determined on a given formula which provides for [cap] [floor]). [Risks associated with Multiple Final Payout – Weighted Mixed Payouts Securities [Investors may be exposed to a [partial] [or] [total] loss of their investment.] The return on the Securities depends on the performance of the Underlying Reference(s) and is calculated based on the weighted sum of returns determined using the relevant payout formula.] [Risks associated with Multiple Final Payout – Knock-In Mixed Payouts Securities [Investors may be exposed to a [partial] [or] [total] loss of their investment.] The return on the Securities depends on the performance of the Underlying Reference(s). The return calculation can be based on the relevant payout and various mechanisms such as [knock-in] features.] [Risks associated with Multiple Final Payout – Knock-out Mixed Payouts Securities [Investors may be exposed to a [partial] [or] [total] loss of their investment.] The return on the Securities depends on the performance of the Underlying Reference(s). The return calculation can be based on the relevant payout and various mechanisms such as [knock-out] features.] [Risks associated with Multiple Final Payout – Max Mixed Payouts Securities [Investors may be exposed to a [partial] [or] [total] loss of their investment.] The return on the Securities depends on the performance of the Underlying Reference(s) and is calculated based on the maximum return determined using the relevant payout formula.] [Risks associated with Multiple Final Payout – Leveraged Securities [Investors may be exposed to a [partial] [or] [total] loss of their investment.] The return on the Securities is calculated by reference to a leverage on the positive or negative performance of the Underlying Reference(s).]. [Risks associated with Single FI FX Vanilla Securities [Investors may be exposed to a [partial] [or] [total] loss of their investment.]The return on the Securities depends on the performance of the Underlying Reference(s) [and the application of [knock-in] [knock-out] features.] [Risks associated with Single FI Digital Securities [Investors may be exposed to a [partial] [or] [total] loss of their investment.] The return on the Securities is fixed or variable and will be dependent upon the performance of the Underlying Reference(s). The return is calculated by reference to various mechanisms such as [floor] [cap] conditions and [knock-in] [knock-out] features.] [Risks associated with Single FI Inflation Securities Single FI Inflation Securities are capital protected. The return on the Securities depends on the performance of the Underlying Reference(s).] **Risks relating to Underlying Reference Asset(s)** In addition, there are specific risks in relation to Securities which are linked to an Underlying Reference (including Hybrid Securities) and an investment in such Securities will entail significant risks not associated with an investment in a conventional debt security. Risk factors in relation to Underlying Reference linked

		Securities include: [*Insert in the case of Index Securities*: exposure to one or more index, adjustment events and market disruption or failure to open of an exchange which may have an adverse effect on the value and liquidity of the Securities] [*Insert in the case of Share Securities:* exposure to one or more share, similar market risks to a direct equity investment, global depositary receipt ("**GDR**") or American depositary receipt ("**ADR**"), potential adjustment events or extraordinary events affecting shares and market disruption or failure to open of an exchange which may have an adverse effect on the value and liquidity of the Securities] [*Insert in the case of Commodity Securities*: exposure to one or more commodity and/or commodity index, similar market risks to a direct commodity investment, market disruption and adjustment events which may have an adverse effect on the value or liquidity of the Securities, delays to the determination of the final level of a commodity index resulting in delays to the payment of the Cash Settlement Amount.] [*Insert in the case of ETI Securities*: exposure to one or more interests in an exchange traded fund, exchange traded note, exchange traded commodity or other exchange traded product (each an "**exchange traded instrument**"), similar market risks to a direct exchange traded instrument investment, that the amount payable on ETI Securities may be less and in certain circumstances may be significantly less than the return from a direct investment in the relevant ETI(s), potential adjustment events or extraordinary events affecting exchange traded instruments and market disruption or failure to open of an exchange which may have an adverse effect on the value and liquidity of the Securities] [*Insert in the case of Inflation Index Securities*: exposure to an inflation index and adjustments.] [*Insert in the case of Currency Securities*: exposure to a currency, similar market risks to a direct currency investment and market disruption.] [*Insert in the case of Fund Securities*: exposure to a fund share or unit, similar risks to a direct fund investment, that the amount payable on Fund Securities may be less than the amount payable from a direct investment in the relevant Fund(s), extraordinary fund events which may have an adverse effect on the value or liquidity of the Securities]. [*Insert in the case of Futures Securities*: exposure to a futures contract, similar market risks to a direct futures contract investment, market disruption or failure to open of an exchange which may have an adverse effect on the value and liquidity of the Securities.] [*Insert in the case of Underlying Interest Rate Securities*: exposure to an underlying interest or CMS rate.] [*Insert in the case of Debt Securities*: exposure to a debt instrument, similar market risks to a direct debt instrument investment and market disruption.] [*Insert in the case of Debt Securities, Index Securities or Currency Securities where Futures Price Valuation is applicable*: exposure to a futures or options contract relating to [*Insert in the case of Debt Securities*: a synthetic debt instrument][*Insert in the case of Index Securities*: an index] [*Insert in the case of Currency Securities*: a rate of exchange], similar market risks to a direct investment in such futures or options contract and market disruption][and that the Issuer will not provide post-issuance information in relation to the Underlying Reference]. [Open End Certificates] [OET Certificates] do not have any pre-determined maturity and may be redeemed on any date determined by the Issuer and investment in such [Open End Certificates] [OET Certificates] entails additional risks compared with other Certificates due to the fact that the settlement date cannot be determined by the investor.] [There are specific risks in relation to Securities linked to an Underlying Reference from an emerging or developing market (including, without limitation, 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 status, interpretation and applicable of laws, increased custodian costs and administrative difficulties and higher probability of the occurrence of a disruption or adjustment event). Securities traded in emerging or developing countries tend to be less liquid and the prices of such securities more volatile.] [In certain circumstances settlement may be postponed or payments made in USD if the Settlement Currency specified in the applicable Final Terms is not freely transferable, convertible or deliverable.] [The occurrence of an additional disruption event or optional additional disruption event may lead to an adjustment to the Securities early settlement or may result in the amount payable on scheduled settlement being different from the amount expected to be paid at scheduled settlement and consequently the occurrence of an additional disruption event and/or optional additional disruption event may have an adverse effect on the value or liquidity of the Securities.] [*In the case of Physical Delivery Securities*: Settlement may be postponed following the occurrence or existence of a Settlement Disruption Event and, in these circumstances, the Issuer may pay a Disruption Cash Settlement Price (which may be less than the fair market value of the Entitlement) in lieu of delivering the Entitlement;] [*Insert if FX Settlement Disruption applies to the Securities*: In certain circumstances (including, without limitation, as a result of restrictions on currency convertibility and/or transfer restrictions), it may not be possible for the Issuer to make payments in respect of the Securities in the Settlement Currency specified in the applicable Final Terms. In these circumstances the payment of amounts under the Securities may occur at a different time than expected and be made in USD and the market price of such Securities may be volatile;] [The Issuer may elect to vary the settlement of the Securities.] [*In the case of Physical Delivery Securities*: In certain circumstances, the Issuer may substitute a Substitute Asset or Substitute Assets, as the case may be, for the Relevant Asset or Relevant Assets or (ii) not to deliver or procure the delivery of the Entitlement or the Substitute Asset or Substitute Assets, as the case may be, to the relevant holders, but in lieu thereof to make payment to the relevant holders on the Settlement Date of the Alternate Settlement Cash Amount.] [*In case of call option*: An optional, other early settlement feature is likely to limit the market value of the Securities. Following an optional or early settlement, a Securityholder generally would not be able to reinvest the settlement proceeds (if any) at an effective interest rate as high as the remuneration rate on the relevant Securities being settled, and may only be able to do so at a significantly lower rate.] [Certain risks related to the remuneration applicable to the Securities.] [Risks relating to Credit Securities: In addition to the credit risk of the Issuer, payments on the Securities are subject to the credit risk of the Reference Entity(ies) to which they are linked. Holders may lose their entire amount of principal invested and may not receive any payments of remuneration if Event Determination Dates occur. The financial condition and creditworthiness of [a] Reference Entity(ies) may change over time. Public information which is available in relation to [a] Reference Entity(ies) may be incomplete, misleading or out of date. The identity of each Reference Entity is subject to amendment as a result of corporate or other actions such as a merger or demerger. The risks associated with successor Reference Entity(ies) may be greater than the risks associated with the original Reference Entity. The credit risk to investors may further be increased if the Reference Entity(ies) and the Issuer are concentrated in a particular industry sector or geographic area, or if they have exposure to similar financial or other risks. Holders will have no claim against any Reference Entity and no interest in or rights under any obligation of a Reference Entity. An investment in the Securities is not equivalent to an investment in the obligations of a

		Reference Entity. The occurrence of a credit securities additional disruption event or a meger event may result in the Securities being settled prior to the Scheduled Settlement Date at their fair market value which may be an amount which is less that the outstanding notional amount of the Securities. Where settlement of the Securities following a Credit Event is determined by reference to a credit derivatives auction, the outcome of such auction may be affected by technical factors or operational errors or may be subject to actual or attempted manipulation, which may result in a lower payment to Holders. Where settlement is determined by reference to bid quotations sought by the Calculation Agent from third party dealers, the Calculation Agent will be entitled to seek quotations for eligible obligations of the relevant Reference Entity having the lowest possible market value. In certain circumstances, for example where a potential or unsettled credit event exists as at the Scheduled Settlement Date of the Securities or a resolution of a credit derivatives determinations committee is pending at such time, the settlement of the Securities may be postponed for a material period of time after the Scheduled Settlement Date. **Risks related to the market generally** [*In case of Specific Buy Back Provisions*: The Market Value of the Underlying Transactions, as determined by [Mediobanca] [Mediobanca International] could adversely affect the repurchase price of the Certificates.] [If the Settlment Currency is different from the currency in which an investor's financial activities are denominated, this presents certain risks such as exchange rate risks and exchange controls.] [The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities.] [Certain specific information will not be known at the beginning of an offer period as they will be fixed by the end of the offer period. Prospective investors will be required to make their investment decision based on the indicative range rather than the actual data] [Potential conflicts of interest may arise in connection with the Securities, as any distributors or other entities involved in the offer and/or the listing of the Securities as indicated in the applicable Final Terms, will act pursuant to a mandate granted by the Issuer and can receive commissions and/or fees on the basis of the services performed in relation to such offer and/or listing.] [[Issue price [and/or] [offer price] of the Securities include [subscription fees], [placement fees] [direction fees] [structuring fees] [*include other*] [paid by the [Issuer][*other entity*] to [the relevant intermediaries][*include other*] [and additional costs]. Any such fees [and costs] may not be taken into account for the purposes of determining the price of such Securities on the secondary market and could result in a difference between the original issue price and/or offer price, the theoretical value of the Securities, and/or the actual bid/offer price quoted by any intermediary in the secondary market.] **[Certain considerations associated with public offers of Securities** [The Issuer and [•] has/have the right under certain conditions to withdraw the offer in relation to the Securities, which in such circumstances will be deemed to be null and void. Investors who have already paid or delivered subscription monies for the relevant Securities will be entitled to reimbursement of such amounts, but [*in the case of Certificates*] will not receive any compensation that may have accrued in the period between their payment or delivery of subscription monies and the reimbursement of such amounts.] [The early closing of the offer may have an impact on the aggregate number of Securities issued and, therefore, may have an adverse effect on the liquidity of the Securities.] [The Issuer and [•] will have the right to extend the offer period and/or to postpone the originally designated issue date, and related interest payment dates and the maturity date.] [*for Securities distributed on the SeDeX or other trading venue*: The circumstance that, pursuant to this

		distribution process, potential investors can monitor (via market operators) the progress of the proposed purchases of the Securities during the offer period, may have an impact on the progress and results of the offer.] [The effectiveness of the offer of Securities is conditional upon admission to [listing] [trading] on [●], occurring by the Issue Date.] [The Issuer will use all reasonable endeavours to maintain the listing of the Securities, provided that if it becomes impracticable or unduly burdensome or unduly onerous to maintain such listing, then the Issuer may apply to de-list the relevant Securities.]

Section E – Offer

Element	Description of Element	Disclosure requirement
E.2b	**Reasons for the offer and use of proceeds**	The net proceeds of the issue of each Tranche of Securities will be used for the general corporate purposes of the relevant Issuer.
E.3	**Terms and conditions of the offer**	[The offer to invest in the Securities is made from [●] to [●].] [[The maximum and minimum amount of application is [●] and [●], respectively.] Payments by investors in respect of the purchase of the Securities shall be made by [●]. The results of the offer will be published in [●] on [●].]/[*specify the terms of the relevant offer*] [The Global Securities will be delivered to the relevant clearing system no later than on the Issue Date].
E.4	**Material interests in the offer**	[Not applicable. There are no material interests with respect to the issue and/or offer of Securities (including any conflicting interests).] [The following constitute material interests with respect to the issue and/or offer of Securities: [●].]
E.7	**Estimated expenses**	[Not applicable - No expenses will be specifically charged to the investors who purchase Securities by the Issuer.][A [●] fee of [●] shall be payable by the investors who [subscribe for] [purchase the] Securities to [●].] [*include description of the fees and costs included in the Offer Price/Issue Price*]]

(*Where the Final Terms cover two or more Series of Securities, the table below should be completed for all variables which will differ across the different Series. The relevant line item for any such variable in the Issue-Specific Summary above should include the following language: "in respect of each Series as specified in the table(s) set out in "Specific Provisions for each Series" at the end of this Issue-Specific Summary".*)

[SPECIFIC PROVISIONS FOR EACH SERIES

SERIES NUMBER	NO. OF SECURITIES ISSUED	NO. OF SECURITIES	ISIN	COMMON CODE	[CFI]	[FISN]	ISSUE PRICE PER SECURITY	[CALL/PUT	[[SCHEDULED]] [SETTLEMENT DATE]	[PARITY	[*Insert other itendifier code or variable]*
[●]	[●]	[Up to] [●]	[●]	[●]	[●]	[●]	[[insert currency][●]]/[[●]% of the Notional Amount]	[call/put]	[●]/[Open End][2]	[●]	[●]

(Repeat for each Series as necessary)]

[2] Include for Open Ended Securities

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GENERAL DESCRIPTION OF THE ISSUANCE PROGRAMME

The following is 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. The following overview does not purport to be complete and is qualified by the remainder of this Document and, in relation to the terms and conditions of any particular Series (as defined below in "Terms and Conditions") of Securities, the applicable Final Terms. Subject as provided in the Terms and Conditions, any of the following (including, without limitation, the type of Securities which may be issued pursuant to the Programme) may be varied or supplemented as agreed between the relevant Issuer, the relevant Dealer(s) and the Fiscal Agent (if applicable). Words and expressions defined in "Form of the Securities" and "Terms and Conditions" shall have the same meaning in this overview:

Issuers:	Mediobanca – Banca di Credito Finanziario S.p.A. and Mediobanca International (Luxembourg) S.A.
Mediobanca - Banca di Credito Finanziario S.p.A.:	Mediobanca was established on 10 April in 1946 as a medium-term credit granting institution in Italy. In 1956 Mediobanca's shares were admitted to the Italian Stock Exchange and since then its business has expanded both nationally and internationally. Mediobanca is registered at the Companies' Registry of the Chamber of Commerce of Milan-Monza-Brianza-Lodi, Italy under registration number 00714490158. Mediobanca's registered office is at Piazzetta E. Cuccia 1, Milan, Italy, telephone number (+39) 0288291. Mediobanca holds a banking licence from the Bank of Italy authorising it to carry on all permitted types of banking activities in Italy. Mediobanca is a bank organised and existing under the laws of Italy, carrying out a wide range of banking, financial and related activities throughout Italy. At the date hereof, Mediobanca's issued share capital totals Euro €443,583.088,50 represented by 887,166,177 registered shares of a nominal value Euro 0.50. The Board of Directors of Mediobanca is responsible for the ordinary and extraordinary management of Mediobanca.
Mediobanca International (Luxembourg) S.A.:	Mediobanca International has the form of a *société anonyme* subject to Luxembourg law and has its place of registration in Luxembourg. On 15 December 2005 the Luxembourg Minister of the Treasury and the Budget, on the recommendation of the CSSF, granted Mediobanca International a full banking licence pursuant to which its operations include raising funds in the international markets and lending, consistent with Mediobanca International's articles of

association approved by the shareholders in the general meeting held on 21 December 2005.

Mediobanca International is registered at the Luxembourg trade and companies registry under registration number B 112885. Mediobanca International's registered office is at 4, Boulevard Joseph II, L-1840 Luxembourg, Grand Duchy of 65 Luxembourg.

As at 30 June 2018, Mediobanca International's issued and authorised fully paid share capital totals Euro 10,000,000 represented by 1,000,000 registered shares of Euro 10 par value.

The Board of Directors of Mediobanca International is responsible for setting authorisation levels, defining organisational structure, defining the system of internal control and reviewing it on a regular basis, and approving the bank's accounts and interim statements. Day-to-day management is entrusted to two managing directors.

Guarantor:	Mediobanca - Banca di Credito Finanziario S.p.A. (with respect to Securities issued by Mediobanca International (Luxembourg) S.A.
Description:	Issuance Programme.
Arranger:	Mediobanca - Banca di Credito Finanziario S.p.A.
Dealer:	Mediobanca - Banca di Credito Finanziario S.p.A. Each of the Issuers may from time to time appoint additional dealers under the Programme or terminate their appointment either in respect of a single Tranche or in respect of the whole Programme.
Fiscal Agent:	BNP Paribas Securities Services, Luxembourg Branch. will act as Fiscal Agent in respect of the Securities except for Securities in dematerialised form deposited directly with Monte Titoli S.p.A. ("**Monte Titoli**").
Italian Paying Agent:	Mediobanca – Banca di Credito Finanziario S.p.A. will act as Italian Paying Agent with respect to Securities in dematerialised form which are deposited directly with Monte Titoli (which role will include the role of Fiscal Agent with respect to such Securities).
Currencies:	Subject to compliance with all relevant laws, regulations and directives, Securities may be issued in any currency or currencies as the relevant Issuer, the Guarantor (where applicable), and the relevant Dealer so agree. The Issuer may issue Dual Currency Certificates in

	respect of which the Cash Settlement Amount and or the Remuneration Amount(s) may be payable, as specified in the applicable Final Terms, in one or more Settlement Currency (as specified in the applicable Final Terms) which may be different from the Issue Currency (as specified in the applicable Final Terms).
Method of Issue:	The Securities may be issued on a syndicated or non-syndicated basis. The Securities will be issued in one or more Series (which may be issued on the same date or which may be issued in more than one Tranche on different dates). The Securities may be issued in Tranches on a continuous basis with no minimum issue size, subject to compliance with all applicable laws, regulations and directives. Further Securities may be issued as part of an existing Series.
Final Terms or Drawdown Prospectus:	Securities issued under the Programme may be issued either (i) pursuant to this Base Prospectus and the relevant Final Terms or (ii) pursuant to a Drawdown Prospectus. The Terms and Conditions applicable to any particular Tranche of Securities are the Terms and Conditions of the Securities as completed by the relevant Final Terms or, as the case may be, the relevant Drawdown Prospectus. References in this General Description of the Issuance Programme to the Final Terms shall, where applicable, be read as references to the Drawdown Prospectus relating to the Securities, as the case may be.
Form of Securities:	Unless otherwise provided in the Final Terms, each issue of Securities will on issue date be represented either by a Temporary Global Security or a Permanent Global Security as indicated in the applicable Final Terms. The Temporary Global Security will be exchangeable either, in accordance with its terms, for a Permanent Global Security or for Definitive Securities. The Permanent Global Security will be exchangeable in limited circumstances for Definitive Securities. Each Temporary Global Security and each Permanent Global Security will be held by a common depository on behalf of Euroclear and Clearstream, Luxembourg and/or any other relevant clearing system and/or deposited directly with Monte Titoli S.p.A. If the Securities are issued and held in dematerialised form, the Securities will not be represented by paper certificates and the transfer and exchange of Securities will take place exclusively through an electronic book-entry system managed by Monte Titoli S.p.A. or any other Centralised Custodian appointed by the Issuers. Accordingly, all Securities of the same tranche shall be held by their

owners with an intermediary participant in the relevant Centralised Custodian. The intermediary will in turn hold the Securities with the Centralised Custodian. In such circumstances, it will not be possible for a Securityholder to obtain physical delivery of Securities certificates representing the Securities.

Type of Securities:	The Issuer may issue Index Securities, Share Securities, ETI Securities, Currency Securities, Debt Securities, Commodity Securities, Fund Securities, Inflation Index Securities, Futures Securities, Underlying Interest Rate Securities and Credit Securities; The Certificates may also be Dual Currency Certificates. The Certificates may also be Open End Certificates and Open End Turbo Certificates. The Securities may also be Hybrid Securities where the Underlying Reference may be any combination of such indices (or index futures or options contracts), shares, interests in exchange traded instruments, debt instruments (or debt futures or options contracts), commodities, inflation indices, currencies (or currency futures contracts), funds, futures contracts, underlying interest rates or other asset classes or type. Certificates may pay remuneration, if so specified in the applicable Final Terms.
Terms and Conditions of the Securities:	**Securities:** the applicable terms of the Securities will comprise: • the "Security Conditions", commencing on page 242 of this Base Prospectus; • where the Securities are linked to one or more Underlying Reference, the terms and conditions relating to such Underlying Reference(s) set out in the "Additional Terms and Conditions" relating to the relevant Underlying Reference(s), commencing on page 567 of this Base Prospectus and ending on page 695, which are specified to be applicable in the relevant Final Terms; • the "remuneration" terms (if any) of the Certificates set forth in the Security Condition 22 (*Remuneration*) and Annex 1 (*Additional Terms and Conditions Relating to Formulas*), of this Base Prospectus, which are specified to be applicable in the

relevant Final Terms;

- the "autocall" terms (if any) of the Certificates set forth in the Security Condition 17.5 (*Automatic Early Settlement*), 17.6 (*Automatic Early Settlement – Automatic Early Settlement Payout Capitalised Call and Put Securities 1*) and Annex 1 (*Additional Terms and Conditions Relating to Formulas*), which are specified to be applicable in the relevant Final Terms;

- the "payout" terms of the Certificates set forth in Security Condition 17.2 (*Cash Settlement*), 17.3 (*Physical Settlement*) and Annex 1 (*Additional Terms and Conditions Relating to Formulas*) of this Base Prospectus, which are specified to be applicable in the relevant Final Terms;

- the terms relating to Credit Securities set forth in "Credit Security Conditions", commencing on page 696 of this Base Prospectus and Annex 12 (*Additional Terms and Conditions for Credit Securities*) of this Base Prospectus, which are specified to be applicable in the relevant Final Terms.

The terms of a Series of Securities are comprised of (i) the Security Conditions, (ii) the Annex relevant to the relevant Underlying References, (iii) the Credit Security Conditions (in case of Credit Securities) and (iv) if selected in the applicable Final Terms, the Final Payouts, Remuneration Rates, Automatic Early Settlement Payouts, Call Payouts and Put Payouts and Entitlements in respect of the Certificates selected from Annex 1 to the Conditions (the "**Formulas Conditions**") specified in the applicable Final Terms and the related variables specified in the applicable Final Terms.

Status of the Securities: Securities constitute direct, unconditional, unsubordinated and unsecured obligations of the relevant Issuer and rank par passu among themselves and (save for certain obligations required to be preferred by law (also subject to the bail-in instruments as implemented under Italian law, in case of Securities issued by Mediobanca, or Luxemburg law, in case of Securities issued by Mediobanca International)) rank equally with all other unsecured

	obligations other than subordinated obligations, if any of the relevant Issuer from time to time outstanding.
Guarantee:	Under the Deed of Guarantee, and in accordance with the terms and subject to the limitations thereof, Mediobanca unconditionally and irrevocably guarantees payment of all amounts due and the performance of any non-cash delivery obligations in respect of Securities issued by Mediobanca International. Pursuant to the Guarantee, the Guarantor has the right to elect not to deliver or procure the delivery of any entitlement to holders of Securities, but in lieu thereof to pay a cash amount. See also Security Condition 2.2 (*Status of Guarantee*) of the Terms and Conditions of the Securities.
Status of the Guarantee:	The payment obligations of the Guarantor under the Deed of Guarantee constitute – in accordance with the terms and subject to the limitations thereof – direct, unconditional, unsubordinated and unsecured obligations of the Guarantor which will rank at all times at least *pari passu* without any preference among themselves and equally with all other present and future unsecured and unsubordinated obligations of the Guarantor (save for certain mandatory exceptions of applicable law and subject to the application of the bail-in legislation applicable to the Guarantor). See also Security Condition 2.2 (*Status of Guarantee*) of the Terms and Conditions of the Securities. In particular, pursuant to the Deed of Guarantee, to the extent the Guarantor is incorporated in the Republic of Italy and to the extent under the applicable law in force at the relevant time a cap to the maximum amount to be guaranteed is required, the Guarantor shall only be liable up to an amount which is the aggregate of 110 per cent. of the aggregate notional amount of any Tranche of the Securities (in each case as specified in the applicable Final Terms) and 110 per cent. of the remuneration on such Securities due but not paid as at any date on which the Guarantor's liability falls to be determined. In addition, pursuant to the Deed of Guarantee, the Guarantor has also undertaken to issue an additional guarantee in an amount equal to any liability exceeding the maximum amount mentioned above in relation to any Tranche.
Taxation in respect of Securities:	All payments in respect of Securities shall be made subject to any such tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted and no additional amount shall be payable to any relevant Securityholder in respect of any such tax, duty, withholding or other payment.

Governing Law:	If it is specified in the Final Terms that English law is applicable to the Securities, the Securities and all related contractual documentation and any contractual or non-contractual obligations arising from or connected with the Securities (or such related contractual documentation) will be governed by, and construed in accordance with, English law, save for the status provisions applicable to the Securities and the contractual recognition of bail-in powers provisions, and any non contractual obligations arising out of or in connection with such provisions, which shall be governed by, and construed in accordance with, Italian law (if the Securities are issued by Mediobanca) or Luxembourg law (if the Securities are issued by Mediobanca International), as applicable. If it is specified in the Final Terms that Italian law is applicable to the Securities, the Securities will be governed by, and shall be construed in accordance with, Italian law, save, in case Securities are issued by Mediobanca International, for the status provisions applicable to the Securities and the contractual recognition of bail-in powers provisions, and any non contractual obligations arising out of or in connection with such provisions, which shall be governed by, and construed in accordance with, Luxembourg law. Articles 470-1 to 470-19 of the Luxembourg law dated 10 August 1915 on commercial companies, as amended, are not applicable to the Securities.
Listing and Admission to Trading:	The Central Bank of Ireland has approved this document as a Base Prospectus. Application has also been made for Securities issued under the Programme to be admitted to trading on the regulated market of the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") and to be listed on the Official List of Euronext Dublin. Application may also be made for certain Securities issued under the Programme (i) to the Luxembourg Stock Exchange 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 Securities may also be admitted to trading (i) on the multilateral trading facility of securitised derivatives financial instruments, organised and managed by Borsa Italiana S.p.A. (the "**SeDeX**") and (ii) on the multilateral trading facility of EuroTLX managed by EuroTLX SIM S.p.A. ("**EuroTLX**"). The applicable Final Terms will specify whether or not application will be made for the Securities to be listed and/or admitted to trading on Euronext Dublin and/or the

Luxembourg Stock Exchange and/or SeDeX and/or EuroTLX.

The Programme provides that Securities may be listed or admitted to trading (as the case may be) on such other or further stock exchange(s) or market(s) or multilateral trading facility(ies) as may be agreed between the relevant Issuer, the Guarantor (where applicable) and the relevant Dealer (as defined in "Plan of Distribution"). Unlisted Securities or Securities not admitted to trading on any trading venue may also be issued.

The Central Bank may, at the request of the relevant Issuer, send to the competent authority of another European Economic Area member state (i) a copy of this Base Prospectus; (ii) a certificate of approval pursuant to Article 18 of the Prospectus Directive attesting that this Base Prospectus has been drawn up in accordance with the Prospectus Directive (an "**Attestation Certificate**"); and (iii) if so required by such competent authority, a translation of the summary set out in the Base Prospectus.

Notice of the aggregate notional amount of Securities (if applicable), remuneration (if any) payable in respect of Securities, issue price of Securities and any other terms and conditions not contained herein which are applicable to each Tranche (as defined below) of Securities will be set out in the final terms relating to the Securities (the "**Final Terms**") which will be delivered to the Central Bank and, with respect to Securities to be listed on the Official List of Euronext Dublin, will be delivered to Euronext Dublin and, with respect to Securities to be listed on any other or further Stock Exchange, will be delivered to the relevant Stock Exchange.

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 and/or trading venue.

Selling Restrictions: See "*Plan of Distribution*".

RISK FACTORS

The Issuers and the Guarantor believe that the following factors may affect their ability to fulfil their obligations under the Securities and the Guarantee issued under the Programme. Most of these factors are contingencies which may or may not occur and the Issuers and the Guarantor are not in a position to express a view on the likelihood of any such contingency occurring. In addition, factors which are material for the purpose of assessing the market risks associated with Securities issued under the Programme are also described below.

The Issuers and the Guarantor believe that the factors described below represent the principal risks inherent in investing in Securities issued under the Programme, but the inability of the Issuers and the Guarantor to pay interest, principal or other amounts on or in connection with any Securities or the Guarantee may occur for other reasons which may not be considered significant risks by the Issuers and the Guarantor based on information currently available to them or which they may not currently be able to anticipate.

Investors should be aware that they may lose the value of their entire investment or part of it, as the case may be.

The purchase of Securities involves substantial risks and is suitable only for investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and the merits of an investment in the Securities. Before making an investment decision, prospective investors should ensure that they understand the nature of the Securities and the extent of their exposure to risks and that they consider carefully, in the light of their own financial circumstances, financial condition and investment objectives, all the information set forth in this Base Prospectus and as supplemented from time to time.

No person has been authorised to give any information or make any representation not contained in or not consistent with the Base Prospectus and/or the Final Terms, or any other information supplied in connection with the Securities and, if given or made, such information or representation must not be relied upon as having been authorised by the relevant Issuer or the Dealer.

By investing in the Securities each investor represents that:

(a) ***Non-Reliance.*** *It is acting for its own account, and it has made its own independent decisions to invest in the Securities and as to whether the investment in the Securities is appropriate or proper for it based upon its own judgement and upon advice from such advisers as it has deemed necessary. It is not relying on any communication (written or oral) of the relevant Issuer or the Dealers as investment advice or as a recommendation to invest in the Securities, it being understood that information and explanations related to the terms and conditions of the Securities shall not be considered to be investment advice or a recommendation to invest in the Securities. No communication (written or oral) received from the relevant Issuer or the Dealers shall be deemed to be an assurance or guarantee as to the expected results of the investment in the Securities.*

(b) ***Assessment and Understanding****. It is capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and understands and accepts the terms and conditions and the risks of the investment in the Securities. It is also capable of assuming, and assumes, the risks of the investment in the Securities.*

(c) ***Status of Parties****. Neither the relevant Issuer nor the Dealers is acting as a fiduciary for or adviser to it in*

respect of the investment in the Securities.

Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views, based upon their own judgement and upon advice from such financial, legal and tax advisers as they have deemed necessary, prior to making any investment decision.

*Words and expressions defined in "Form of Final Terms", "Terms and Conditions" or elsewhere in this Base Prospectus have the same meaning in this section. Prospective investors should read the entire Base Prospectus. In this section, "**Issuer**" refers to Mediobanca and/or to Mediobanca International as appropriate.*

1. Risks relating to the Issuers, the Guarantor and the Mediobanca Group

Factors that may affect the Issuers' and the Guarantor's ability to fulfil their obligations under Securities issued under the Programme.

The Issuer's financial results may be affected by events which are difficult to anticipate

The Issuer's earning and business are affected by general economic conditions, the performance of financial markets, interest rate levels, currency exchange rates, changes in laws and regulation, changes in the policies of central banks, particularly the Bank of Italy and the European Central Bank ("**ECB**"), and competitive factors, in each case on a regional, national and international level. Each of these factors can change the level of demand for the Issuer's products and services, the credit quality of borrowers and counterparties, the interest rate margin of the Issuer between lending and borrowing costs and the value of the Issuer's investment and trading portfolios.

Risks arising from the Eurozone sovereign debt crisis

The sovereign debt crisis has raised concerns about the long-term sustainability of the European Monetary Union (the "**EMU**"). In the last few years, several EMU countries have requested financial aid from European authorities and from the International Monetary Fund (the "**IMF**") and are currently pursuing an ambitious programme of reforms.

Rising market tensions might affect negatively the funding costs and economic outlook of some euro member countries. This, together with the risk that some countries (even if not very significant in terms of gross domestic product) might leave the euro area, would have a material and negative impact on the Group and/or on the Group's clients, with negative implications for the Group's business, results and financial position.

Lingering market tensions might affect negatively the global economy and hamper the recovery of the euro area. Moreover, the tightening fiscal policy by some countries might weigh on households' disposable income and on corporate profits with negative implications for the Group's business, results and financial position. This trend will likely continue in the coming quarters.

Any further deterioration of the Italian economy would have a material adverse effect on the Group's business, in light of the Group's significant exposure to the Italian economy. In addition, if any of the countries in which the Group operates witnessed a significant deterioration in economic activity, the Group's results of operations, business and financial condition would be materially and adversely affected.

The possibility that the European Central Bank could halt or reconsider the current set up of unconventional measures would impact negatively the value of sovereign debt instruments. This would have a materially negative impact on the Group's business, results and financial position.

Despite the several initiatives of supranational organisations to deal with the heightened sovereign debt crisis in the euro area, global markets remain characterized by high uncertainty and volatility particularly around the peripheral European countries. Any further acceleration of the European sovereign debt crisis could likely significantly affect, among other things, the inter-bank funding, which may become generally unavailable or available only at elevated interest rates, and might have an impact on the Mediobanca Group's access to, and cost of, funding. Should the Group be unable to continue to source a sustainable funding profile which can absorb these sudden shocks, the Group's ability to fund its financial obligations at a competitive cost, or at all, could be adversely affected.

Risks in connection with the exposure of the Group to Eurozone sovereign debt

In carrying out its activities, the Group holds substantial volumes of public-sector bonds, including bonds issued by European countries. The Group's total exposure in this respect as at 30 June 2018 is set out in the tables A.1.2.a and A.1.2.b of Part E of the audited consolidated annual financial statements of Mediobanca as at and for the year ended 30 June 2018 incorporated by reference into this Base Prospectus. This could give rise to operational disruptions to the Group's business.

Furthermore, Mediobanca is affected by disruptions and volatility in the global financial markets. In particular, Mediobanca's credit ratings are potentially exposed to the risk of reductions in the sovereign credit rating of Italy. On the basis of the methodologies used by rating agencies, further downgrades of Italy's credit rating may have a potential knock-on effect on the credit rating of Italian issuers such as Mediobanca.

Thus, any negative developments in the Group's sovereign exposure could adversely affect its results of operations, business and financial condition.

The Issuer's financial results are affected by changes in interest rates

Fluctuations in interest rates in Italy and in the other markets in which the Mediobanca Group operates influence the Mediobanca Group's performance. The results of each Issuer's banking operations are affected by its management of interest rate sensitivity. Interest rate sensitivity refers to the relationship between changes in market interest rates and changes in net interest income. A mismatch of interest- earning assets and interest-bearing liabilities in any given period, which tends to accompany changes in interest rates, may have a material effect on the Issuer's financial condition or results of operations.

The Issuer's financial results may be affected by market declines and volatility

The results of the Issuer are affected by general economic, financial and other business conditions. During recessionary periods, there may be less demand for loan products and a greater number of the Issuer's customers may default on their loans or other obligations. Interest rate rises may also impact the demand for mortgages and other loan products. The risk arising from the impact of the economy and business climate on the credit quality of

the Issuer's borrowers and counterparties, including sovereign states, can affect the overall credit quality and the recoverability of loans and amounts due from counterparties.

The Issuer is therefore exposed by its very nature to potential changes in the value of financial instruments, including securities issued by sovereign states, due to fluctuations in interest rates, exchange rates and currencies, stock market and commodities prices and credit spreads, and/or other risks.

Each of the Issuers is subject to credit and market risk. Current market conditions are unprecedented

The credit and capital markets have been experiencing extreme volatility and disruption in recent months. To the extent that any of the instruments and strategies the Issuer uses to hedge or otherwise manage its exposure to credit or capital markets risk are not effective, the Issuer may not be able to mitigate effectively the Issuer's risk exposures in particular market environments or against particular types of risk. The Issuer's trading revenues and interest rate risk are dependent upon its ability to identify properly, and mark to market, changes in the value of financial instruments caused by changes in market prices or interest rates. The Issuer's financial results also depend upon how effectively the Issuer determines and assesses the cost of credit and manages its credit risk and market risk concentration. In addition, due to market fluctuations, weak economic conditions and/or a decline in stock and bond prices, trading volumes or liquidity, the Issuer's financial results may also be affected by a downturn in the revenues deriving from its margin interests, principal transactions, investment banking and securities trading fees and brokerage activities.

Sustained market weakness and volatility may adversely affect the Issuer's investment banking and financial advisory revenues and subject the Issuer to risks of losses from clients and other counterparties

The Issuer's investment banking revenues, in the form of financial advisory and debt and equity underwriting fees, are directly related to the number and size of the transactions in which the Issuer participates and may be impacted by continued or further credit market dislocations or sustained market downturns. Sustained market downturns or continued or further credit market dislocations and liquidity issues would also likely lead to a decline in the volume of capital market transactions that the Issuer executes for its clients and, therefore, to a decline in the revenues that it receives from commissions and spreads earned from the trades the Issuer executes for its clients. Further, to the extent that potential acquirers are unable to obtain adequate credit and financing on favorable terms, they may be unable or unwilling to consider or complete acquisition transactions, and as a result, the Issuer's merger and acquisition advisory practice would suffer.

In addition, declines in the market value of securities can result in the failure of buyers and sellers of securities to fulfil their settlement obligations, and in the failure of the Issuer's clients to fulfil their credit obligations. During market downturns, the Issuer's counterparties in securities transactions may be less likely to complete transactions. Also, the Issuer often permits its clients to purchase securities on margin or, in other words, to borrow a portion of the purchase price from the Issuer and collateralize the loan with a set percentage of the securities. During steep declines in securities prices, the value of the collateral securing margin purchases may drop below the amount of the purchasers' indebtedness. If the clients are unable to provide additional collateral for these loans, the Issuer may lose money on these margin transactions. In addition, particularly during market downturns, the Issuer may face additional expenses defending or pursuing claims or litigation related to counterparty or client defaults.

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

In some of the Issuer's businesses, protracted adverse market movements, particularly asset price declines, can reduce the level of activity in the market or reduce market liquidity. These developments can lead to material losses if the Issuer cannot close out deteriorating positions in a timely way. This may especially be the case for assets of the Issuer for which there are not very liquid markets to begin with. Assets that are not traded on stock exchanges or other public trading markets, such as derivatives contracts between banks, may have values that the Issuer calculates using models other than publicly quoted prices. Monitoring the deterioration of prices of assets like these is difficult and failure to do so effectively could lead to losses that the Issuer did not anticipate or that were higher than those anticipated. This in turn could adversely affect the Issuer's results of operations and financial condition.

Market volatility and difficult access to debt capital markets can adversely affect the Issuer's liquidity

In the event that the extreme volatility and disruption experienced by international and domestic markets in recent months continue in the future, the Issuer's liquidity can be adversely affected. The Issuer's funding activity relies, for more than 20 per cent., on retail deposits with the Group company CheBanca!, on medium and long-term debt capital market issues offered to institutional investors and to the public. The placement to retail investors is made through public offerings (carried out by means of single banking networks – including that of Banco Posta – with exclusivity or through syndicated joined banking groups) and sold directly on the Mercato Telematico delle Obbligazioni managed by Borsa Italiana S.p.A. ("**MOT**"). Demand from institutional investors is met through public offerings on the Eurobond market and private placements of instruments tailored on the basis of the specific needs of the subscriber.

The volatility of the debt capital markets in Italy and abroad may impair the Issuer's ability to raise funding through fixed-income instruments and may affect its liquidity in the long term. In addition, the wider credit spreads that the markets are experiencing can affect the Issuer's aggregate cost of funding and have an impact on its financial results.

Intense competition, especially in the Italian market, where the Issuer has the largest concentration of its business, could materially adversely affect the Issuer's revenues and profitability

Competition is intense in all of the Mediobanca Group's primary business areas in Italy and the other countries in which the Issuer conducts its business. The Mediobanca Group derives most of its total banking income from its banking activities in Italy, a mature market where competitive pressures have been increasing quickly. If the Mediobanca Group is unable to continue to respond to the competitive environment in Italy with attractive product and service offerings that are profitable for the Mediobanca Group, it may lose market share in important areas of its business or incur losses on some or all of its activities. In addition, downturns in the Italian economy could add to the competitive pressure, through, for example, increased price pressure and lower business volumes for which to compete.

The Issuer's risk management policies, procedures and methods may nevertheless leave the Issuer exposed to unidentified or unanticipated risks, which could lead to material losses

The Issuer has devoted significant resources to developing policies, procedures and assessment methods to manage market, credit, liquidity and operating risk and intends to continue to do so in the future. Nonetheless, the Issuer's risk management techniques and strategies may not be fully effective in mitigating its risk exposure in all economic market environments or against all types of risks, including risks that the Issuer fails to identify or anticipate. If existing or potential customers believe that the Issuer's risk management policies and procedures are inadequate, the Issuer's reputation as well as its revenues and profits may be negatively affected.

The Issuer is subject to operational risk

The Issuer, like all financial institutions, is exposed to many types of operational risk, including the risk of fraud by employees and outsiders, unauthorised transactions by employees or operational errors, including errors resulting from faulty computer or telecommunication systems. The Issuers' systems and processes are designed to ensure that the operational risks associated with the Issuers' activities are appropriately monitored. Any failure or weakness in these systems, however, could adversely affect the Issuer's financial performance and business activities.

Systemic risks in connection with the economic/financial crisis

It should be noted that the earnings capacity and stability of the financial system in which the Issuer operates may be impacted by the general economic situation and the trends on financial markets, and, in particular, by the solidity and growth prospects of the economies of the country or countries in which the Issuer operates, including its/their credit standing, as well as the solidity and growth prospects of the Eurozone as a whole.

The Issuer's performance is also influenced by the general economic situation, both national and for the Eurozone as a whole, and by the trend on financial markets, in particular by the solidity and growth prospects of the geographical areas in which the Issuer operates. The macroeconomic scenario currently reflects considerable areas of uncertainty, in relation to: (a) the trends in the real economy with reference to the prospects of recovery and growth in the national economy and/or resilience of growth in the economies of those countries, such as the United States and China, which have delivered growth, even substantial, in recent years; (b) future developments in the monetary policy of the ECB for the Eurozone area, and the U.S. Federal Reserve Board for the US dollar area, and the policies implemented by various countries to devalue their own currencies for competitive reasons; (c) the sustainability of the sovereign debt of certain countries, and the tensions noted more or less frequently on financial markets. In this connection, attention should be drawn in particular to: (i) the recent developments in the Greek sovereign debt crisis, which raised considerable uncertainties (as yet not entirely dispelled) over the prospects of Greece remaining part of the Eurozone, not to mention, in an extreme scenario, the risk of contagion between the sovereign debt markets of the various countries, and indeed the very resilience of the European monetary system based on the single currency; (ii) the recent turbulence on the main Asian financial markets, in particular China. There is therefore the risk that the future development of these scenarios could impact adversely on the Issuer's capital, earnings and financial situation.

Such factors, particularly during periods of economic and financial crisis, could lead the Issuer to incur losses, increases in the cost of financing, reductions in the value of assets held, with a potentially negative impact on the Issuer's liquidity and the solidity of its capital.

More generally, continuation of the adverse economic conditions, or a slower recovery in Italy, or the countries in which the Issuer principally operates, than the other Eurozone countries, could impact negatively on the operating results or financial conditions of Mediobanca.

Risk connected to the discussion on Italy's 2019 budget law

The persisting financial crisis has also adversely affected Italy and the current negative economic situation is not expected to end in the near future. In this context, further uncertainties may arise in connection with the Republic of Italy's 2019 budget law which, as at the date of the Base Prospectus, has not been approved by the European Commission, as a consequence thereof, there may be potentially negative impacts on the economic outlook of the Republic of Italy that may adversely affect the domestic market conditions

Risks connected to the presence of OTC derivatives in the Group's portfolio

The investors should note that the portfolio of the Group contains so-called "over the counter" ("**OTC**") derivatives. The fair value of these OTC derivatives depends upon the both the valuation and the perceived credit risk of the instrument insured or guaranteed or against which protection has been bought and the credit quality of the protection provider. Market counterparties have been adversely affected by their exposure to residential mortgage linked products, and their perceived creditworthiness has deteriorated significantly since 2007. Although the Group seeks to limit and manage direct exposure to market counterparties, indirect exposure may exist through other financial arrangements and counterparties. If the financial condition of market counterparties or their perceived creditworthiness deteriorates further, the Group may record further credit valuation adjustments on the underlying instruments insured by such parties.
Any primary or indirect exposure to the financial condition or creditworthiness of these counterparties could have a material adverse impact on the results of operations, financial condition and prospects of the Group.

Risks connected to the EMIR Regulation

Investors should also note that the OTC derivatives would be subject to the regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories, known as the European Market Infrastructure Regulation ("**EMIR**") that came into force on 16 August 2012.

On 19 December 2012, the European Commission adopted nine of ESMA's Regulatory Technical Standards (the "**Adopted RTS**") and Implementing Technical Standards (the "**Adopted ITS**") on OTC Derivatives, CCPs and Trade Repositories (the Adopted RTS and Adopted ITS together being the "**Adopted Technical Standards**"), which included technical standards on clearing, reporting and risk mitigation (see further below). The Adopted ITS were published in the Official Journal of the European Union on 21 December 2012 and entered into force on 10 January 2013 (although certain of the provisions thereof will only take effect once the associated regulatory

technical standards enter into force). The Adopted RTS were published in the Official Journal of the European Union on 23 February 2013 and entered into force on 15 March 2013.

EMIR introduces certain requirements in respect of OTC derivative contracts applying to financial counterparties ("**FCPs**"), such as investment firms, credit institutions and insurance companies and certain non-financial counterparties ("**Non-FCPs**"). Such requirements include, amongst other things, the mandatory clearing of certain OTC derivative contracts (the "**Clearing Obligation**") through an authorised central counterparty (a "**CCP**"), the reporting of OTC derivative contracts to a trade repository (the "**Reporting Obligation**") and certain risk mitigation requirements in relation to derivative contracts which are not centrally cleared.

The Clearing Obligation applies to FCPs and certain Non-FCPs which have positions in OTC derivative contracts exceeding specified 'clearing thresholds'. Such OTC derivative contracts also need to be of a class of derivative which has been designated by ESMA as being subject to the Clearing Obligation. On the basis of the Adopted Technical Standards, it is likely that the Issuer will be treated as a Non-FCP for the purposes of EMIR and the swap transactions to be entered into by it on the Closing Date will not exceed the "clearing threshold".

A CCP will be used to meet the Clearing Obligation by interposing itself between the counterparties to the eligible OTC derivative contracts. For the purposes of satisfying the Clearing Obligation, EMIR requires derivative counterparties to become clearing members of a CCP, a client of a clearing member or to otherwise establish indirect clearing arrangements with a clearing member. Each derivative counterparty will be required to post both initial and variation margin to the clearing member (which in turn will itself be required to post margin to the CCP). EMIR requires CCPs to only accept highly liquid collateral with minimal credit and market risk, which is defined in the Adopted Technical Standards as cash, gold and highly rated government bonds.

The Reporting Obligation applies to all types of counterparties and covers the entry into, modification or termination of cleared and non-cleared derivative contracts which were entered into (i) before 16 August 2012 and which remain outstanding on 16 August 2012, or (ii) on or after 16 August 2012. The details of all such derivative contracts are required to be reported to a trade repository. It will therefore apply to the Swap Agreements and any replacement swap agreements.

FCPs and Non-FCPs which enter into non-cleared derivative contracts must ensure that appropriate procedures and arrangements are in place to measure, monitor and mitigate operational and counterparty credit risk. Such procedures and arrangements include, amongst other things, the timely confirmation of the terms of a derivative contract and formalised processes to reconcile trade portfolios, identify and resolve disputes and monitor the value of outstanding contracts. In addition, FCPs and those Non-FCP which exceed the specified clearing thresholds must also mark-to-market the value of their outstanding derivative contracts on a daily basis and have risk-management procedures that require the timely, accurate and appropriately segregated exchange of collateral.

The EU regulatory framework and legal regime relating to derivatives is set not only by EMIR but also by the European Directive No 65/2014 ("**MiFID II**") and the European Regulation No. 600/2014 ("**MiFIR**"), both of which came into force on 3 July 2014. MiFID II amends existing provisions on authorisation, conduct of business and organizational requirements for providers of investment services. These rules aim at strengthening the

protection of investors, through the introduction of new requirements on product governance, independent investment advice and cross-selling, the extension of existing rules to structured deposits and the improvement of requirements in several areas, including on the responsibility of management bodies, inducements, information and reporting to clients, remuneration of staff and best execution. MIFIR establishes, *inter alia*, uniform requirements in relation to disclosure of trade data to the public, reporting of transactions to the competent authorities, trading of derivatives on organised venues, benchmarks and intervention powers of competent authorities, ESMA and EBA.

MiFID II has come into force on 3 January 2018 and is implemented by the Member States by 3 January 2018 as officially proposed by the European Commission on 10 February 2016.

By the proposal for amending Directive 2014/65/EU come into force on 10 February 2016, the provisions of MiFID II and MIFIR - according to article 93, as amended - apply from 3 January 2018 except for the minor provisions which shall apply from 3 September 2019. In addition, many of the provisions of MiFID II and MiFIR will be implemented by means of technical standards that will be drafted by the ESMA.

In this respect, it is difficult to predict the full impact of these regulatory requirements on the Issuer. Prospective investors should be aware that the regulatory changes arising from EMIR, MiFID II and MIFIR may in due course significantly raise the costs of entering into derivative contracts and may adversely affect the relevant Issuer's ability to engage in transactions in OTC derivatives. As a result of such increased costs or increased regulatory requirements, investors may receive less interest or return, as the case may be. Investors should be aware, however, that such risks are material and that the Issuer could be materially and adversely affected thereby. As such, investors should consult their own independent advisers and make their own assessment about the potential risks posed by EMIR, MiFID II and MiFIR, in making any investment decision in respect of the Securities. In addition, given that the date of application of some of the EMIR provisions and the EMIR technical standards remains uncertain and given that additional technical standard or amendments to the existing EMIR provisions may come into effect in due course, prospective investors should be aware that the relevant Transaction Documents may need to be amended during the course of the Transaction, without the consent of any Securityholder, to ensure that the terms thereof and the parties obligations thereunder are in compliance with EMIR and/or the then subsisting EMIR technical standards.

Risks connected to a potential rating downgrade

Mediobanca is rated by (i) S&P Global Ratings Europe Limited (formerly, Standard & Poor's Credit Market Services Italy S.r.l. "**S&P**"), (ii) Fitch Italia S.p.A. ("**Fitch**") and (iii) Moody's Investor Service Ltd. ("**Moody's**") which are established in the European Union and registered under Regulation (EC) No. 1060/2009 on credit rating agencies, (as amended) (the "**CRA Regulation**") as set out in the list of credit rating agencies registered in accordance with the CRA Regulation published on the website of the European Securities and Markets Authority pursuant to the CRA Regulation. A downgrade of Mediobanca's rating (for whatever reason) might result in higher funding and refinancing costs for Mediobanca in the capital markets. In addition, a downgrade of Mediobanca's rating may limit Mediobanca's opportunities to extend mortgage loans and may have a particularly adverse effect on Mediobanca's image as a participant in the capital markets, as well as in the eyes of its clients. These factors may have an adverse effect on Mediobanca's financial condition and/or the results of its operations.

Changes in the Italian and European regulatory framework could adversely affect the Issuer's business

The Issuer is subject to extensive regulation and supervision by the Bank of Italy and the *Commissione Nazionale per le Società e la Borsa* (the Italian securities market regulator or "**CONSOB**") in relation to Mediobanca, the European Central Bank and the European System of Central Banks in relation to both Issuers and the *Commission de Surveillance du Secteur Financier* ("**CSSF**") in Luxembourg in relation to Mediobanca International.

The banking laws to which the Issuer is subject govern the activities in which banks and foundations may engage and are designed to maintain the safety and soundness of banks, and limit their exposure to risk. In addition, the Issuer must comply with financial services laws that govern its marketing and selling practices. The regulatory framework governing the international financial markets is currently being amended in response to the credit crisis, and new legislation and regulations are being introduced in Italy and could significantly alter the Issuer's capital requirements.

The supervisory authorities mentioned above govern various aspects of the Issuer, which may include, among other things, liquidity levels and capital adequacy, the prevention and combating of money laundering, privacy protection, ensuring transparency and fairness in customer relations and registration and reporting obligations. In order to operate in compliance with these regulations, Mediobanca has in place specific procedures and internal policies. Despite the existence of these procedures and policies, there can be no assurance that violations of regulations will not occur, which could adversely affect the Group's results of operations, business and financial condition. The above risks are compounded by the fact that, as at the date of this Base Prospectus, certain laws and regulations have only been recently approved and the relevant implementation procedures are still in the process of being developed.

Basel III and CRD IV

In the wake of the global financial crisis that began in 2008, the Basel Committee on Banking Supervision approved, in the fourth quarter of 2010, revised global regulatory standards ("**Basel III**"), on bank capital adequacy and liquidity, higher and better-quality capital, better risk coverage, measures to promote the build-up of capital that can be drawn down in periods of stress and the introduction of a leverage ratio as a backstop to the risk-based requirement as well as two global liquidity standards which were subsequently revised in 2013 in light of concerns raised by the banking industry. The Basel III framework adopts a gradual approach, with the requirements to be implemented over time, with full enforcement in 2019.

In January 2013, the Basel Committee revised its original proposal in respect of the liquidity requirements in light of concerns raised by the banking industry, providing for a gradual phasing-in of the Liquidity Coverage Ratio with a full implementation in 2019 as well as expanding the definition of high quality liquid assets to include lower quality corporate securities, equities and residential mortgage backed securities. Regarding the other liquidity requirement, the Net Funding Stable Funding Ratio, the Basel Committee published the final rules in October 2014 which took effect from 1st January 2018.

The Basel III framework has been implemented in the EU through new banking regulations adopted on 26 June 2013: Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (the "**CRD**

IV Directive") and Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (the "**CRD IV Regulation**" or "**CRR**" and together with the CRD IV Directive, the "**CRD IV Package**"). Full implementation began on 1 January 2014, with particular elements being phased in over a period of time (the requirements will be largely fully effective by 2019 and some transitional provisions provide for phase-in until 2024) but it is possible that in practice implementation under national laws may be delayed until after such date. Additionally, it is possible that EU Member States may introduce certain provisions at an earlier date than that set out in the CRD IV Package.

The Basel III agreements provide for the introduction of a Liquidity Coverage Ratio or ("**LCR**"), in order to establish and maintain a liquidity buffer which will permit the bank to survive for 30 days in the event of serious stress, and a Net Stable Funding Ratio or NSFR, with a time period of more than one year, introduced to ensure that the assets and liabilities have a sustainable expiry structure. In the case of LCR, within the CRR framework, the LCR Delegated Act (Commission Delegated Regulation (EU) 2015/61 technically specifies the calculation rules of the LCR and provides that it is to be phased in gradually, from 60% commencing on 1 October 2015 to 100% from 1 January 2018), In the case of NSFR, although the proposal of the Basel Committee foresaw that the 100% level is to be met as of 1 January 2018 without any phase in, the CRR does not provide for the regulatory limit on structural liquidity. On 17 December 2015, the European Banking Authority published its report recommending the introduction of the NSFR in the EU in order to ensure stable funding structures and outlining its impact assessment and proposed calibration. In November 2016, the European Commission announced the EU Banking Reform which proposed a binding 3% Leverage Ratio and a binding detailed Net Stable Funding Ratio (which will require credit institutions and systemic investment firms to finance their long-term activities (assets and off-balance sheet items) with stable sources of funding (liabilities) in order to increase banks' resilience to funding constraints. In particular, under the proposal, the binding 3% Leverage Ratio is added to the own funds requirements in the CRR which institutions must meet in addition to/in parallel with their risk-based requirements, and will apply to all credit institutions and investment firms that fall under the scope of the CRR, subject to selected adjustments.

In addition, it should be noted that, on 13 April 2017, the ECB published a guideline and a recommendation addressed to national competent authorities ("**NCAs**") concerning the exercise of options and national discretions available in European Union law that affect banks which are directly supervised by NCAs (i.e. less significant institutions). Both documents are intended to further harmonise the way banks are supervised by NCAs in the 19 countries to which the SSM (as defined below) applies.

The aim is to ensure a level playing field and the smooth functioning of the euro area banking system as a whole.

The Bank of Italy published new supervisory regulations on banks in December 2013 (Circular of the Bank of Italy No. 285 of 17 December 2013, as subsequently amended and supplemented from time to time (the "**Circular No. 285**" – *Prudential Regulation for Banks*)) which came into force on 1 January 2014, implementing the CRD IV Package, and setting out additional local prudential rules concerning matters not harmonised at EU level. According to Article 92 of the CRD IV Regulation, institutions shall at all times satisfy the following own funds requirements: (1) a CET1 Capital ratio of 4.5 per cent.; (ii) a Tier 1 Capital ratio of 6 per cent.; and (iii) a Total Capital ratio of 8 per cent. These minimum ratios are complemented by the following capital buffers to be met with CET1 Capital:

- *Capital conservation buffer*: The capital conservation buffer has applied to the Issuer since 1 January 2014 pursuant to Part I, Title II, Chapter I, Section II of Circular No. 285. According to the 20th update to Circular No. 285 published on 21 November 2017, new transitional rules provide for a capital conservation buffer set for 1.875 per cent of the RWAs in 2018 and increasing to 2.5 per cent. of RWAs from 2019;

- *Counter-cyclical capital buffer*: set by the relevant competent authority between 0 per cent. - 2.5 per cent. (but may be set higher than 2.5 per cent. where the competent authority considers that the conditions in the Member State justify this), with gradual introduction from 1 January 2016 and applying temporarily in the periods when the relevant national authorities judge the credit growth excessive (pursuant to Articles 130 and 160 of the CRD IV Directive);

- *Capital buffers for global systemically important banks (G-SIBs)*: set as an "additional loss absorbency" buffer ranging from 1.0 per cent. to 3.5 per cent. determined according to specific indicators (e.g., size, interconnectedness, lack of substitutes for the services provided, global activity and complexity); to be phased in from 1 January 2016 (Article 131 of the CRD IV Directive), becoming fully effective on 1 January 2019; and

- *Capital buffers for systemically important banks at a domestic level*: up to 2.0 per cent. as set by the relevant competent authority and must be reviewed at least annually from 1 January 2016, to compensate for the higher risk that such banks represent to the domestic financial system (Article 131 of the CRD IV Directive). The capital buffer for important banks at domestic level belonging to a group which is a global systemically important bank is limited. This buffer shall not exceed the higher of 1 per cent. of the total risk exposure amount and the global systemically important bank buffer rate applicable to the group at consolidated level.

In addition to the above listed capital buffers, under Article 133 of the CRD IV Directive each Member State may introduce a Systemic Risk Buffer of Common Equity Tier 1 Capital for the financial sector or one or more subsets of the sector, in order to prevent and mitigate long term non-cyclical systemic or macro-prudential risks with the potential of serious negative consequence to the financial system and the real economy in a specific Member State. Until 2015, in case of buffer rates of more than 3 per cent., Member State will need prior approval from the Commission, which will take into account the assessments of the European Systemic Risk Board ("**ESRB**") and the European Banking Authority (the "**EBA**"). From 2015 onwards and for buffer rates between 3 and 5 per cent. the Member States setting the buffer will have to notify the Commission, the EBA, and the ESRB. The Commission will provide an opinion on the measure decided and if this opinion is negative, the Member States will have to "comply or explain". Buffer rates above 5 per cent. will need to be authorized by the Commission through an implementing act, taking into account the opinions provided by the ESRB and by the EBA.

Failure to comply with such combined buffer requirements triggers restrictions on distributions and the need for the bank to adopt a capital conservation plan on necessary remedial actions (Articles 140 and 141 of the CRD IV Directive).

As part of the CRD IV Package transitional arrangements, regulatory capital recognition of outstanding instruments which qualified as "Tier I" and "Tier II capital" instruments under the framework which the CRD IV Package has replaced (CRD III) that no longer meet the minimum criteria under the CRD IV Package will be gradually phased out. Fixing the base at the nominal amount of such instruments outstanding on 31 December 2012, their recognition is capped at 70 per cent. in 2015, with this cap decreasing by 10 per cent. in each subsequent year.

The new liquidity requirements introduced under the CRD IV Package are the Liquidity Coverage Ratio and the Net Stable Funding Ratio (the "**NSFR**"). The Liquidity Coverage Ratio Delegated Act has been adopted in October 2014 and published in the Official Journal of the European Union in January 2015. It is applicable from 1 October 2015, under a phase-in approach before it becomes fully applicable from 1 January 2018.

The CRD IV Package introduces a new leverage ratio with the aim of restricting the level of leverage that an institution can take on to ensure that an institution's assets are in line with its capital. Institutions have been required to disclose their leverage ratio from 1 January 2015. Full implementation and European harmonisation, however, is not expected until 1 January 2018 following the European Commission's review in 2016. The CRD IV Package contains specific mandates for the EBA to develop draft regulatory or implementing technical standards as well as guidelines and reports related to liquidity coverage ratio and leverage ratio in order to enhance regulatory harmonisation in Europe through the "Single Rule Book".

Therefore, should the Issuer not be able to implement the approach to capital requirements it considers optimal in order to meet the capital requirements imposed by the CRD IV Package, it may be required to maintain levels of capital which could potentially impact its credit ratings, funding conditions and limit the Issuer's growth opportunities.

The Group may be subject to the provision of the Regulation establishing the Single Resolution Mechanism

After having reached an agreement with the Council, in April 2014, the European Parliament adopted the Regulation (EU) No. 806/2014 establishing a Single Resolution Mechanism (the "**SRM**") entered into force from 1 January 2016. There are, however, certain provisions including those concerning the preparation of resolution plans and provisions relating to the cooperation of the Single Resolution Board (the "**Board**") with national resolution authorities, which entered into force on 1 January 2015.

The SRM, which will complement the ECB Single Supervisory Mechanism, will apply to all banks supervised by the ECB Single Supervisory Mechanism. It provides for the Board and a Single Resolution Fund (the "**Fund**").

Decision-making will be centralised with the Board, and will involve the Commission and the Council (which will have the possibility to object to the Board's decisions) as well as the ECB and national resolution authorities.

The Fund, which will back resolution decisions mainly taken by the Board, will be divided into national compartments during an eight year transition period, as envisaged by an Intergovernmental Treaty, whose ratification is a precondition for the entry into force of the SRM Regulation. Banks have started to pay contributions in 2015 to national Resolution Funds that are mutualising gradually into the Single Resolution Fund starting from 2016 (and on top of the contributions to the national Deposit Guarantee Schemes).

The establishment of the SRM is designed to ensure that supervision and resolution is exercised at the same level for countries that share the supervision of banks within the ECB Single Supervisory Mechanism.

The participating banks will be required to finance the Fund. The Issuer may therefore be required to pay contributions to the SRM in addition to contributions to the national Deposit Guarantee Scheme. The SRM is not operational yet and the manner in which it will be implemented is still evolving, so there remains some uncertainty as to how the SRM will affect the Group once implemented and fully operational.

ECB Single Supervisory Mechanism

On 15 October 2013, the Council of the European Union adopted Council Regulation (EU) No. 1024/2013 conferring specific tasks on the ECB concerning policies relating to the prudential supervision of credit institutions (the "**SSM Regulation**") for the establishment of a single supervisory mechanism (the "**Single Supervisory Mechanism**" or the "**SSM**"). From 4 November 2014 the SSM Regulation has given the ECB, in conjunction with the national regulatory authorities of the Eurozone and participating Member States, direct supervisory responsibility over "banks of systemic importance" in the Eurozone.

In this respect, "banks of systemic importance" include, *inter alia*, any Eurozone bank that: (i) has assets greater than €30bn or - unless the total value of its assets is below €5bn - greater than 20 per cent. of national gross domestic product; (ii) is one of the three most significant credit institutions established in a Member State; (iii) has requested, or is a recipient of, direct assistance from the European Financial Stability Facility of the European Stability Mechanism; or (iv) is considered by ECB to be of significant relevance where it has established banking subsidiaries in more than one participating Member State and its cross-border assets/liabilities represent a significant part of its total assets/liabilities.

Notwithstanding the fulfillment of these criteria, the ECB, on its own initiative after consulting with national competent authorities or upon request by a national competent authority, may declare an institution significant to ensure the consistent application of high-quality supervisory standards. The Regulation (EU) No. 468/2014 of the ECB, dated 16 April 2014, established the framework for co-operation within the Single Supervisory Mechanism between the ECB and national competent authorities and with national designated authorities (the "**SSM Framework Regulation**").

The relevant national competent authorities for the purposes of the SSM Regulation and the SSM Framework Regulation continue to be responsible for supervisory functions not conferred on the ECB, such as consumer protection, money laundering, payment services, and supervision over branches of third country banks. The ECB, on the other hand, is exclusively responsible for key tasks concerning the prudential supervision of credit institutions, which includes, *inter alia*, the power to: (i) authorise and withdraw authorisation of all "banks of systemic importance" in the Eurozone and in the Member States participating to the SSM; (ii) assess acquisition and disposal of holdings in other banks; (iii) ensure compliance with all prudential requirements laid down in general EU banking rules; (iv) set, where necessary, higher prudential requirements for certain banks to protect financial stability under the conditions provided by EU law; (v) impose robust corporate governance practices and internal capital adequacy assessment controls; and (vi) intervene at the early stages when risks to the viability of a

bank exist, in coordination with the relevant resolution authorities. The ECB also has the right to impose pecuniary sanctions.

In order to foster consistency and efficiency of supervisory practices across the Eurozone, the EBA is continuing to develop a single supervisory handbook applicable to EU Member States (the "**EBA Supervisory Handbook**").

The Bank Recovery and Resolution Directive is intended to enable a range of actions to be taken in relation to credit institutions and investment firms considered to be at risk of failing. The implementation of the directive or the taking of any action under it could materially affect the value of any Securities

On 2 July 2014, Directive 2014/59/EU, providing for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms (the "**Bank Recovery and Resolution Directive**" or the "**BRRD**") entered into force.

The BRRD provides the competent authorities with a set of tools to intervene sufficiently early and quickly in an unsound or failing institution so that it can ensure the continuity of the institution's critical financial and economic functions, whilst minimising the impact of an institution's failure on the economy and financial system.

The BRRD contains four resolution tools and powers which may be used alone or in combination where the relevant resolution authority considers that: (a) an institution is failing or likely to fail, (b) there is no reasonable prospect that any alternative private sector measures would prevent the failure of such institution within a reasonable timeframe, and (c) a resolution action is in the public interest: (i) sale of business - which enables resolution authorities to direct the sale of the firm or the whole or part of its business on commercial terms; (ii) bridge institution - which enables resolution authorities to transfer all or part of the business of the firm to a "bridge institution" (an entity created for this purpose that is wholly or partially in public control); (iii) asset separation - which enables resolution authorities to transfer assets to one or more publicly owned asset management vehicles to allow them to be managed with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only); and (iv) bail-in - which gives resolution authorities the power to write down certain claims of unsecured creditors of a failing institution and to convert certain unsecured debt claims into shares or other instruments of ownership (i.e. shares, other instruments that confer ownership, instruments that are convertible into or give the right to acquire shares or other instruments of ownership, and instruments representing interests in shares or other instruments of ownership) (the "**General Bail-In Tool**"), which equity could also be subject to any future application of the General Bail-In Tool.

The BRRD also provides for a Member State as a last resort, after having assessed and made use of the above resolution tools (including the General Bail-In Tool) to the maximum extent practicable whilst maintaining financial stability, to be able to provide extraordinary public financial support through additional financial stabilisation tools. These consist of the public equity support and temporary public ownership tools. Any such extraordinary financial support must be provided in accordance with the burden sharing requirement of the EU state aid framework and the BRRD. In particular, a single resolution fund financed by bank contributions at a national level is being established and Regulation (EU) No. 806/2014 establishes the modalities for the use of the fund and the general criteria to determine contributions to the fund.

An institution will be considered to be failing or likely to fail when: it is, or is likely in the near future to be, in breach of its requirements for continuing authorisation; its assets are, or are likely in the near future to be, less than its liabilities; it is, or is likely in the near future to be, unable to pay its debts as they fall due; or it requires extraordinary public financial support (except in limited circumstances).

In addition to the General Bail-In Tool, the BRRD provides for resolution authorities to have the further power to permanently write-down or convert into equity capital instruments at the point of non-viability and before or concurrently with any other resolution action is taken ("**non-viability loss absorption**"). Any shares issued to holders of the Securities upon any such conversion into equity capital instruments may also be subject to any application of the General Bail-In Tool.

For the purposes of the application of any non-viability loss absorption measure, the point of non-viability under the BRRD is the point at which the relevant authority determines that the institution and/or its group meets the conditions for resolution (but no resolution action has yet been taken) or that the institution and/or its group will no longer be viable unless the relevant capital instruments are written-down/converted or extraordinary public support is to be provided and the appropriate authority determines that without such support the institution would no longer be viable.

The BRRD provides that Member States should apply the new "crisis management" measures from 1 January 2015, except for the General Bail-In Tool applicable from 1 January 2016. In the context of these resolution tools, the resolution authorities have the power to amend or alter the maturity of debt instruments and other eligible liabilities issued by an institution under resolution or amend the amount of interest payable under such instruments and other eligible liabilities, or the date on which the interest becomes payable, including by suspending payment for a temporary period, except for those secured liabilities which are subject to Article 44(2) of the BRRD.

The BRRD has been implemented in Italy through the adoption of two Legislative Decrees by the Italian Government, namely, Legislative Decrees No. 180/2015 of 16 November 2015 and 181/2015 (together, the "BRRD Decrees"), both of which were published in the Italian Official Gazette (Gazzetta Ufficiale) on 16 November 2015. Legislative Decree No. 180/2015 of 16 November 2015 is a stand-alone law 181/2015 of 16 November 2015 amends the existing Italian Banking Act and deals principally with recovery plans, early intervention and changes to the creditor hierarchy. The BRRD Decrees entered into force on the date of its publication in the Italian Official Gazette (i.e. 16 November 2015), save that: (i) the bail-in tool is applicable from 1 January 2016; and (ii) a "depositor preference" granted for deposits other than those protected by the deposit guarantee scheme and excess deposits of individuals and SME's will apply from 1 January 2019.

The powers set out in the BRRD will impact credit institutions and investment firms and how they are managed as well as, in certain circumstances, the rights of creditors. The exercise of any power under the BRRD or any suggestion or perceived suggestion of such exercise could, therefore, materially adversely affect the rights of holders of the Securities, the price or value of their investment in any Securities and/or the ability of the Issuer to satisfy its obligations under any Securities.

The legislative decree intended to implement the revised Deposit Guarantee Schemes Directive in Italy – namely, Legislative Decree No. 30 of 15 February 2016 – has been published in the Italian Official Gazette No. 56 of 8 March 2016. The Decree came into force on 9 March 2016, except for Article 1 comma 3, let. A), which came into force on 1 July 2018. Amongst other things, the Decree amends Italian Banking Act and: (i) establishes that the maximum amount of reimbursement to depositors is EUR 100,000 (this level of coverage has been harmonised by the Directive and is applicable to all deposit guarantee schemes); (ii) lays down the minimum financial budget that national guarantee schemes should have; (iii) details intervention methods of the national deposit guarantee scheme; and (iv) harmonises the methods of reimbursement to depositors in case of insolvency of a credit institution.

As a result of the implementation of BRRD, holders of Securities may be subject to write-down or conversion into equity on any application of the General Bail-In Tool, which may result in such holders losing some or all of their investment. The exercise of any power under the BRRD or any suggestion of such exercise could, therefore, materially adversely affect the rights of holders of Securities, the price or value of their investment in any Securities and/or the ability of the relevant Issuer and/or the Guarantor to satisfy its obligations under any Securities and/or the Guarantee.

Moreover, the European Commission has proposed a harmonised national insolvency ranking of unsecured debt instruments to facilitate credit institutions' issuance of such loss absorbing debt instruments, by creating, inter alia, a new asset class of "non-preferred" senior debt instruments with a lower rank than ordinary senior unsecured debt instruments in insolvency. In such perspective, the proposed amendments to Article 108 of the BRRD aim at enhancing the implementation of the bail-in tool and at facilitating the application of the "minimum requirement for own funds and eligible liabilities" ("**MREL**") requirement concerning the loss absorption and recapitalisation capacity of credit institutions and investment firms. As such, the amendments provide an additional means for credit institutions and certain other institutions to comply with the forthcoming MREL requirement and improve their resolvability, without constraining their respective funding strategies.

The proposal of the European Commission resulted in the adoption of Directive (EU) No. 2017/2399 of 12 December 2017 amending the BRRD as regards the ranking of unsecured debt instruments in insolvency hierarchy which was published in the Official Journal of the EU on 27 December 2017 and must be transposed into national law by the Member States by 29 December 2018. In this regard, the Italian Law No. 205/2017, approved by the Italian Parliament on 27 December 2017, contains the implementing provisions pertaining to "non-preferred" senior debt instruments.

The powers set out in the BRRD and the application of the MREL requirement will impact the management of credit institutions and investment firms are managed as well as, in certain circumstances, the rights of creditors, including holders of Securities issued under the Programme. In addition to the above please see also the risk factor "*Forthcoming regulatory and accounting changes*" below.

The Group may be subject to a proposed EU regulation on mandatory separation of certain banking activities

On 29 January 2014, the European Commission adopted a proposal for a new regulation on structural reform of the European banking sector following the recommendations released on 31 October 2012 by the High Level

Expert Group (the "**Liikanen Group**") on the mandatory separation of certain banking activities. The proposed regulation contains new rules which would prohibit the biggest and most complex banks from engaging in the activity of proprietary trading and introduce powers for supervisors to separate certain trading activities from the relevant bank's deposit-taking business if the pursuit of such activities compromises financial stability. Alongside this proposal, the Commission has adopted accompanying measures aimed at increasing transparency of certain transactions in the shadow banking sector.

The proposed regulation will apply to European banks that will eventually be designated as global systemically important banks (G-SIBs) or that exceed the following thresholds for three consecutive years: a) total assets are equal or exceed €30 billion; b) total trading assets and liabilities are equal or exceed €70 billion or 10 per cent. of their total assets. The banks that meet either one of the aforementioned conditions will be automatically banned from engaging in proprietary trading defined narrowly as activities using a bank's own capital or borrowed money to take positions in any type of transaction to purchase, sell or otherwise acquire or dispose of any financial instrument or commodities for the sole purpose of making a profit for own account, and without connection to actual or anticipated client activity ort for the purpose of hedging the entity's risk as a result of actual or anticipated client activity. In addition, such banks will be prohibited also from investing in or holding shares in hedge funds, or entities that engage in proprietary trading or sponsor hedge funds. Other trading and investment banking activities – including market-making, lending to venture capital and private equity funds, investment and sponsorship of complex securitisation, sales and trading of derivatives – are not subject to the ban, subject to the discretion of the bank's competent authority, however they might be subject to separation if such activities are deemed to pose a threat to financial stability.

Should a mandatory separation be imposed, additional costs at Group level are not ruled out, in terms of higher funding costs, additional capital requirements and operational costs due to the separation, lack of diversification benefits. Due to a relatively limited trading activity, Italian banks could be penalised and put at a relative disadvantage in comparison with their main global and European competitors (e.g. French and German banking institutions). As a result, the proposal could lead to the creation of an oligopoly where only the biggest players will be able to support the separation of the trading activities and the costs that will be incurred. An additional layer of complexity, leading to uncertainty, is the high risk of diverging approaches throughout Europe on this issue.

The Group may be affected by a proposed EU Financial Transactions Tax

On 14 February 2013 the European Commission published a new legislative proposal on the Financial Transaction Tax (the "**FTT**"). The proposal followed the Council's authorisation to proceed with the adoption of the FTT through enhanced cooperation, i.e. adoption limited to 10 countries - among which Italy, France, Germany and Austria are included.

The impact on the "real economy" of the FTT as currently envisaged – especially for corporations – could be severe as many financial transactions are made on behalf of businesses that would bear the additional costs of the tax. For example, a transaction tax would raise the cost of the sale and purchase of corporate bonds in a time where it is widely acknowledged that access to capital markets by corporate issuers has to be incentivised.

Moreover, it is a matter of concern for the Group that the proposal does not exempt the transfers of financial instruments within a group. Thus, if a financial instrument is not purchased for a client but only moved within a banking group, each transaction would be subject to taxation. Also, the inclusion of derivatives and repos/lending transactions in the taxation scope clashes with the efficiency of financial markets.

The Issuer may be affected by new accounting and regulatory standards

Following the entry into force and subsequent application of new accounting standards and/or regulatory rules and/or the amendment of existing standards and rules, the Issuer may have to revise the accounting and regulatory treatment of some operations and the related income and expense, with potentially negative effects on the estimates contained in the financial plans for future years and with the need to restate already published financial statements.

IFRS 9 "Financial instruments" has been issued on 24 July 2014. This new standard will introduce significant changes with regard to classification, measurement, impairment and hedge accounting of instruments, including financial instruments, replacing IAS 39 "Financial instruments: Recognition and Measurement".

IFRS 9 replaces IAS 39 and is applicable starting from the date on which the first financial year starting on 1 January 2018 or thereafter. The European Commission endorsed the following accounting principles and interpretations that will be applicable starting from the 2015 financial statements:

- Annual Improvements to IFRSs 2011-2013 Cycle (EU Regulation 1361/2014);
- Annual Improvements to IFRSs 2010-2012 Cycle (EU Regulation 28/2015); and
- Defined Benefit Plans: Employee Contributions (amendments to IAS 19) (EU Regulation 29/2015).

Risk related to IFRS 9 on "Financial Instruments" coming into force

The Issuer is exposed, like other parties operating in the banking sector, to the effects of the entry into force and subsequent application of new accounting principles or standards and regulations and/or changes to them (including those resulting from IFRS as endorsed and adopted into European law). Specifically, in future the Issuer may need to revise the accounting and regulatory treatment of some existing assets and liabilities and transactions (and related income and expense), with possible negative effects, including significant ones, on the estimates in financial plans for future years and this could lead the Issuer to having to restate financial data published previously.

On 24 July 2014, the International Accounting Standard Board (the IASB) issued the final version of the new IFRS 9 which replaces the previous versions published in 2009 and 2010 for the classification and measurement stage, and in 2013 for the hedge accounting stage and completes the IASB project to replace IAS 39 "Financial Instruments: Recognition and Measurement".

With particular reference to the accounting standards which will be effective in future periods, the Issuer highlights that IFRS 9:

- will introduce significant changes, compared to IAS 39, to classification and measurement of loans and debt instruments based on the "business model" and on the characteristics of the cash flows of the financial instrument (SPPI - Solely Payments of Principal and Interests criteria);
- requires the classification of the equity instruments at fair value either through profit or loss or through "other comprehensive income". In this second case, unlike previous requirements for available for sale assets set by IAS 39, IFRS 9 has eliminated the request to recognize impairment losses and provide that, in case of disposal of the instruments, the gain or losses from disposal shall be recycled to other equity reserve and not to profit and loss accounts;
- will introduce a new accounting model for impairment, based on expected losses approach substituting the current approach based on the incurred losses and will introduce the concept of "lifetime" expected losses which may require an anticipation and increase of the structural provisioning with particular reference to credit losses;
- works on the hedge accounting, rewriting the rules for the designation of a hedge accounting relationship and for the verification of its effectiveness in order to achieve a stronger alignment between the hedge accounting treatment and the underlying risk management logics. It should be noted that the principle allows the entity to make use of the possibility to continue to apply IAS 39 hedge accounting rules until the IASB has completed the project on definition of the macrohedging rules; and
- changes the accounting treatment of "own credit", in other words changes in the fair value of issued debt liabilities designated at fair value not attributable to changes of the own credit price. The new accounting standard requires these changes shall be recognised in a specific equity reserve, rather than to the income statement, as requested under IAS 39, therefore removing a volatility source from the economic results.

The effective date of IFRS 9 is 1 January 2018, following the entry into force on 19 December 2016 of Regulation (EU) No. 2016/2067 of the Commission of 22 November 2016.

It is expected that at the first application date the main impacts on the Issuer could come from the application of the new impairment accounting model based on an expected losses approach, which is expected to cause an increase in the write-downs made to unimpaired assets (specifically receivables from customers), as well as the application of the new rules for the transfer of positions between the different classification stages under the new standard. Specifically, it is expected that greater volatility may be generated in the financial results between the different accounting periods, due to the dynamic change between the different stages of financial assets recorded in the financial statements (particularly between Stage 1 which will mainly include the new positions supplied and all the fully performing positions and Stage 2 which will include the positions in financial instruments which have suffered a deterioration in credit quality compared with the time of initial recognition). The changes in the book value of financial instruments due to the transition to IFRS 9 will be recognised against shareholders' equity at 1 January 2018.

On 10 November 2016, the EBA published a report that summarises the main results of the analysis of the impact on a sample of 50 European banks. As far as the quality component of the questionnaire is concerned, the authority highlighted how the sample of banks involved an operational complexity, specifically with regard to the aspects related to the quality of data, and technology in the introduction of the new principle. The report also pointed out how the change to the impairment model would lead, in the sample of banks examined, to average growth of the IAS 39 provisions (of approximately 18 per cent.) as well as having an impact on common equity tier 1 and on the total capital of 59 and 45 percentage points, respectively.

On 26 November 2016, the EBA launched a second impact assessment exercise, on the same sample of banks, in order to gather more detailed and updated insights regarding the implementation of the new Standard.

Further to the entry into force of IFRS9, the European Council has adopted a regulation that will allow, as an option, financial institutions to adopt a transitional regime where the additional loan loss provisions could be included in CET1 with a "phase-in" mechanism over 5 years starting from 2018.

In that regard, the proposals under discussion would allow, as an option, financial institutions to adopt a transitional regime where the additional loan loss provisions could be included in CET1 with a "phase-in" mechanism over 5 years starting from 2018. Nevertheless, the final terms of that mechanism are still to be finalised.

For the sake of completeness, also note that the IASB issued, respectively on 28 May 2014 and 13 January 2016, the final versions of IFRS 15 "Revenues from contracts with customers" and IFRS 16 "Leases".

The new IFRS 15 applies from 1 January 2018, with the possibility of opting for early application, subject to the completion of the endorsement process by the European Union, in progress at the date of this Base Prospectus. This principle changes the current set of IFRS replacing the principles and interpretations of "revenue recognition" in force at the date of this Base Prospectus and, specifically, IAS 18. IFRS 15 includes:

- two approaches for measuring revenues ("at point in time" or "over time");
- a new transactions analysis model ("Five steps model") focused on the transfer of control; and
- greater information to be included in the notes to the financial statements.

The new IFRS 16, on the other hand, will apply from 1 January 2019 once it has been endorsed by the European Union.

IFRS 16 changes the current set of international accounting principles and interpretations in force on leasing, and, specifically IAS 17. IFRS 16 introduces a new definition of leasing and confirms the current distinction between the two types of leasing (operating and financial) with regard to the accounting model that the lessor must apply.

With reference to the accounting treatment to be applied by the lessee, the new accounting standard sets, for all the leasing typologies, the recognition as an asset, representing the right of use of the underlying asset and, at the same time, a liability reflecting the future payments of the lease contract.

After the initial recognition the right-of-use will be measured on the basis of the provisions set for tangible assets applying the cost model less any accumulated depreciation and any eventual accumulated impairment losses, at the revaluation model of the fair value model set by IAS 16 or IAS 40.

From the time the above principle comes into force there are plans from 1 January 2019 for the quantitative effects resulting from its adoption, not currently available, to form part of the Issuer's future estimates. It is, however, expected that the application of IFRS 16 could result in a revision, for the relevant Issuer and/or the Guarantor, as the case may be, of the accounting methods for revenues and costs relating to existing transactions as well as the recording of new assets and liabilities associated with operating lease agreements signed. These effects will create the consequent need to consistently and retrospectively revise the previous.

Based on regulatory and/or technological developments and/or the business context, it is also possible that the Issuer and/or the Guarantor could, in the future, further revise the operating methods for applying the IFRS, with possible negative impacts, including significant ones, on the operating results and capital and financial position of the relevant Issuer and/or the Guarantor, as the case may be.

The Mediobanca Group applies the new standard starting with effect from 1 July 2018**.**

Forthcoming regulatory and accounting changes

In addition to the substantial changes in capital and liquidity requirements introduced by Basel III and the CRD IV Package, there are several other initiatives, in various stages of finalisation, which represent additional regulatory pressure over the medium term and will impact the EU's future regulatory direction. These initiatives include, among others, a revised Markets in Financial Instruments EU Directive and Markets in Financial Instruments EU Regulation which apply as of 3 January 2018, subject to certain transitional arrangements. The Basel Committee on Banking Supervision ("**BCBS**") has also published certain proposed changes to the current securitisation framework which may be accepted and implemented in due course.

Moreover, the Basel Committee has embarked on a very significant risk weighted assets ("**RWAs**") variability agenda. This includes the "Fundamental Review of the Trading Book", revised standardised approaches (e.g., credit, market, operational risk), constraint to the use of internal models, as well as the introduction of a capital floor. The regulator's primary aim is to eliminate unwarranted levels of RWA variance. The new setup will have a significant impact on risk modelling. From a credit risk perspective, an impact is expected both on capital held against the exposures assessed via standardised approach and on those evaluated via an internal ratings based approach ("**IRB**"), due to the introduction of capital floors that, according to the new framework, will be

calculated based on the revised standardised approach. Implementation of these new rules on risk models will take effect from 1 January 2022.

On 23 November 2016, the European Commission presented a comprehensive package of reforms designed to further strengthen the resilience of EU banks (the "**EU Banking Reform**"). The proposals contained in the EU Banking Reform amend many of the existing provisions set forth in CRD IV, the BRRD and the SRM Regulation.

On 25 May, 2018, the Council of the European Union published Presidency compromise proposals relating to the European Commission's above package of proposals and on 25 and 28 June, 2018, the European Parliament Committee on Economic and Monetary Affairs published reports containing its proposed amendments to the European Commission's package of proposals (the European Commission's package of proposals together with the Presidency compromise proposals, and the proposed amendments of the European Parliament, the EU Banking Reforms). On 4 December 2018, the European Parliament and the Council of the European Union reached a provisional political agreement on the banking package, a comprehensive set of reforms that the Commission proposed to further strengthen the resilience and the resolvability of EU banks. The timing for the final implementation of these reforms as at the date of this Information Memorandum is unclear.

On 7 December 2017 the Basel Committee endorsed the outstanding Basel III post-crisis regulatory reforms. The reforms, which include revisions to the measurement of the leverage ratio and a leverage ratio buffer for global systemically important banks (G-SIBs), which will take the form of a Tier 1 capital buffer set at 50% of a G-SIB's risk weighted capital buffer, will take effect from 1 January 2022 and will be phased in over five years.

In addition, the EU Banking Reform aims at changing the rules for calculating the capital requirements for market risks against the trading book positions set out in the CRR. The proposal seeks to transpose the work done by the Basel Committee (but not yet finalised in all its elements at that time) with the Fundamental Review of the Trading Book into EU law by establishing clearer and more easily enforceable rules on the scope of application to prevent regulatory arbitrage; improving risk capture, making requirements proportionate to reflect more accurately the actual risks to which banks are exposed; and strengthening the conditions to use internal models to enhance consistency and risk-weight comparability across banks. The proposed new rules envisage a phase-in period.

There can be no assurance that the implementation of the new capital requirements, standards and recommendations described above will not require the Issuer to issue additional securities that qualify as regulatory capital, to liquidate assets, to curtail business or to take any other actions, any of which may have adverse effects on the Issuer's business, financial condition and results of operations. Furthermore, increased capital requirements may negatively affect Issuer's return on equity and other financial performance indicators.

As regards accounting rules relevant for the Issuer, on 24 July 2014 the International Accounting Standards Board published IFRS 9 relating to "Financial Instruments", which is set to replace IAS 39 from 1 January 2018, except that for a selective early adoption. IFRS 9 has been approved by Commission Regulation (EC) No. 2067/2016 published in the Official Gazette of the EU on 29 November 2016. IFRS 9 amends and complements the rules on the classification and measurement of financial instruments; introduces a new impairment model based on

“expected credit losses” (the current model is based on provisions for “incurred losses”); and introduces new rules on general hedge accounting.

The application of IFRS 9 and the new approach based on “expected credit losses” could result in substantial additional impairment charges for the Issuer and add volatility to its regulatory capital ratios and will result in additional costs to the Issuer relating to the implementation of such rules. The economic, financial and capital adequacy related effects of the implementation of IFRS 9 are not quantifiable, and investors should be aware that implementation of the IFRS 9 may have a material adverse effect on the business, financial condition and/or results of operations of the Issuer.

EU reform of* "benchmarks" *(including LIBOR, EURIBOR and other interest rate index and equity, commodity and foreign exchange rate indices)

The London Interbank Offered Rate ("**LIBOR**"), the Euro Interbank Offered Rate ("**EURIBOR**") and other indices which are deemed "benchmarks" ("**Benchmarks**") are the subject of recent national, international and other regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause such Benchmarks to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Securities linked to a Benchmark.

Key international reforms of Benchmarks include IOSCO’s proposed Principles for Financial Market Benchmarks (July 2013) (the "**IOSCO Benchmark Principles**") and the EU’s Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (the "**Benchmarks Regulation**").

The IOSCO Benchmark Principles aim to create an overarching framework of principles for benchmarks to be used in financial markets, specifically covering governance and accountability, as well as the quality and transparency of benchmark design and methodologies. A review published in February 2015 on the status of the voluntary market adoption of the IOSCO Benchmark Principles noted that, as the benchmarks industry is in a state of change, further steps may need to be taken by IOSCO in the future, but that it is too early to determine what those steps should be. The review noted that there has been a significant market reaction to the publication of the IOSCO Benchmark Principles, and widespread efforts being made to implement the IOSCO Benchmark Principles by the majority of administrators surveyed.

On 17 May 2016, the Council of the European Union adopted the Benchmarks Regulation. The Benchmarks Regulation was published in the Official Journal on 29 June 2016 and entered into force on 30 June 2016. Subject to various transitional provisions, the Benchmarks Regulation applies from 1 January 2018, except that the regime for "critical" benchmarks has applied from 30 June 2016 and certain amendments to Regulation (EU) No 596/2014 (the "**Market Abuse Regulation**") have applied from 3 July 2016. The Benchmarks Regulation applies to the provision of Benchmarks, the contribution of input data to a Benchmark and the use of a Benchmark within the EU. It will apply, among other things, (i) require benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevent

certain uses by EU supervised entities (such as the Issuer) of Benchmarks of administrators that are not authorized or registered (or, if non-EU-based, not deemed equivalent or recognised or endorsed). The scope of the Benchmarks Regulation is wide and, in addition to applying to so-called "critical benchmark" indices such as EURIBOR, could also potentially apply to many other interest rate indices, as well as equity, commodity and foreign exchange rate indices and other indices (including "proprietary" indices or strategies) which are referenced in listed financial instruments (including listed Securities), financial contracts and investment funds.

The Benchmarks Regulation could also have a material impact on any Securities linked to a Benchmark including in any of the following circumstances:

(i) an index which is a Benchmark could not be used as such if its administrator does not obtain appropriate EU authorization or is based in a non-EU jurisdtiction which (subject to any applicable transitional provisions) does not have equivalent regulation. In such event, depending on the particular Benchmark and the applicable terms of the Securities, the Securities could be delisted (if listed), adjusted, redeemed or otherwise impacted;

(ii) the methodology or other terms of the Benchmark related to a series of Securities could be changed in order to comply with the terms of the Benchmarks Regulation, and such changes could have the effect of reducing, increasing or affecting the volatility of the published rate or level of the relevant Benchmark, and could lead to adjustments to the terms of the Securities;

(iii) the fallback provisions specified in the terms of the Securities may apply or, if Administrator/Benchmark Event is specified in the applicable Final Terms as an Optional Additional Disruption Event, the Calculation Agent may amend the terms of the Securities in the event a benchmark materially changes or ceases to be provided in order to comply with the provisions of the Benchmarks Regulation (see "*Administrator/Benchmark Event*" below).

Any of the international, national or other reforms or the general increased regulatory scrutiny of Benchmarks could increase the costs and risks of administering or otherwise participating in the setting of a Benchmark and complying with any such regulations or requirements.

For example, the sustainability of the London interbank offered rate ("**LIBOR**") has been questioned as a result of the absence of relevant active underlying markets and possible disincentives (including possibly as a result of regulatory reforms) for market participants to continue contributing to such "benchmarks".

Such factors may have the effect of discouraging market participants from continuing to administer or participate in certain "benchmarks", trigger changes in the rules or methodologies used in certain "benchmarks" or lead to the disappearance of certain "benchmarks". Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any such Securities.

Risks associated with the economic context and consequences of the United Kingdom's exit from the European Union (Brexit)

On 23 June 2016, a referendum took place in the United Kingdom on the permanence of the United Kingdom within the European Union. At the end of such referendum the majority of votes indicated the will to exit from the European Union (the "**Brexit**").

On 29 March 2017 the United Kingdom notified the European Council of its intention to withdraw from the European Union within the meaning and for the purposes of Article 50(2) of the Treaty on European Union. Article 50(2) requires that, in the light of the guidelines provided by the European Council, the Union shall negotiate and conclude an agreement with the United Kingdom, setting out the arrangements for its withdrawal from the European Union, taking account of the framework for its future relationship with the Union. Article 50 requires that such agreement shall be negotiated in accordance with Article 218(3) of the European Treaty on the Functioning of the European Union and concluded on behalf of the European Union by the European Council, acting by a qualified majority, after obtaining the consent of the European Parliament. Under Article 50(3) of the Treaty, the EU Treaties shall cease to apply to United Kingdom from the date of entry into force of the withdrawal agreement or, failing that, two years after the notification referred to in Article 50(2), unless the European Council, in agreement with the Member State concerned, unanimously decides to extend this period. Absent such extension, and subject to the terms of any withdrawal agreement, the United Kingdom shall withdraw from the European Union no later than 29 March 2019.

Brexit could cause an increase in volatility in financial markets, a worsening in the terms of financing, especially in the so-called "peripheral" countries, including Italy, and consequently a possible economic slowdown. The consequences of Brexit are uncertain in particular (but without limitation), with respect to the application of the European Union integration process, the consequences of the failure to reach an agreement, the length and nature of the rights and obligations of the United Kingdom during an implementation or transitional period following the formal withdrawal from the European Union and the nature of trade, access by companies within the United Kingdom to other aspects of the European Union single market (including the provision of services throughout the European Union), security, defense and other relationships between the United Kingdom and the European Union following any such implementation or transitional period.

The guarantee of Mediobanca in favour of Mediobanca International is capped

Pursuant to the Deed of Guarantee, to the extent under the applicable law in force at the relevant time, a cap to the maximum amount to be guaranteed is required, Mediobanca shall only be liable up to an amount which is the aggregate of 110 per cent. of the aggregate notional amount of any Tranche of the Securities and 110 per cent. of the remuneration on such Securities due but not paid as at any date on which Mediobanca's liability falls to be determined.

The Issuers' operations are dependent on the correct functioning of our IT systems, which exposes the Issuers to risk

The Issuers' operations depend on, among other things, the correct and adequate operation of the Issuers' IT systems, as well as their continuous maintenance and constant updating.

The Issuers have always invested significant resources in upgrading their relevant IT systems and improving their defense and monitoring systems. However, possible risks remain with regard to the reliability of the system (disaster recovery), the quality and integrity of the data managed and the threats to which IT systems are subject, as well as physiological risks related to the management of software changes (change management), which could have negative effects on the Issuers' business, results of operations or financial condition.

Among the risks that the Issuers face relating to the management of IT systems are the possible violations of their systems due to unauthorized access to the Issuers' corporate network, or IT resources, the introduction of viruses into computers or any other form of abuse committed via the internet. Like attempted hacking, such violations have become more frequent over the years throughout the world and therefore can threaten the protection of information relating to the Issuers and their customers and can have negative effects on the integrity of the Issuers' IT systems, as well as on the confidence of their customers and on the Issuers reputation, with possible negative effects on the Issuers' business, results of operations or financial condition.

In addition, the Issuers' substantial investment in resources in software development creates the risk that when one or more of the above-mentioned circumstances occurs, the Issuers' may suffer financial losses or impacts on the Issuers' operations if the software is destroyed or seriously damaged, or will incur repair costs for the violated IT systems. The Issuers' may also be subject to regulatory sanctions.

2. Risks relating to the Securities

(A) *General*

The Securities may not be a suitable investment for all investors

Each potential investor in the Securities must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(i) proceed with investment only after fully appreciating the risks inherent in the nature of the Securities;

(ii) have sufficient knowledge and experience to make a meaningful evaluation of the Securities, the merits and risks of investing in the Securities and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;

(iii) evaluate, in the context of its particular financial situation, an investment in the Securities and the impact the Securities will have on its overall investment portfolio;

(iv) understand thoroughly the terms of the Securities and be familiar with the behaviour of any relevant indices and financial markets;

(v) consider all of the risks of an investment in the Securities, including Securities with payments thereunder payable in one or more currencies, or where the currency for payments thereunder is different from the potential investor's currency; and

(vi) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Securities;

(vii) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

In addition, an investment in Index Securities, Share Securities, ETI Securities, Debt Securities, Commodity Securities, Currency Securities, Inflation Index Securities, Fund Securities, Inflation Index Securities, Futures Securities, Underlying Interest Rate Securities and Credit Securities may entail significant risks not associated with investments in conventional securities such as debt or equity securities, including, but not limited to, the risks set out in "Risks related to the structure of a particular issue of Securities" set out below.

Securities are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios.

A potential investor should not invest in Securities which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Securities will perform under changing conditions, the resulting effects on the value of the Securities and the impact this investment will have on the potential investor's overall investment portfolio.

Risks related to the structure of a particular Issue of Securities

A wide range of Securities may be issued under the Programme. A number of these Securities may have features which contain particular risks for potential investors. Set out below is a description of the most common risks.

The Securities involve a high degree of risk, which may include (in addition to the risks relating to the Issuers (including the default risk) and Guarantor's ability to fulfil their obligations under the Securities to investors) price risks associated with the Underlying Reference (as defined below), among others, interest rate, foreign exchange, inflation, correlation, time value and political risks. Prospective purchasers of Securities should recognise that their Securities may expire worthless or be settled for no value. Investors should be prepared to sustain a total loss of the subscription or purchase price of their Securities. See "*Certain Factors Affecting the Value and Trading Price of Securities*" below. Prospective investors should be experienced with respect to options and option transactions, should understand the risks of transactions involving the relevant Securities and should reach an investment decision only after careful consideration, with their advisers, of the suitability of such Securities in light of their particular financial circumstances, the information set forth herein and the information regarding the relevant Securities and the particular underlying index (or basket of indices), share, GDR or ADR (or basket of shares, GDRs and/or ADRs), interests in exchange traded funds, exchange traded notes, exchange traded commodities or other exchange traded products (each an "**exchange traded instrument**") (or basket of interests in exchange traded instruments), debt futures or debt options contract (or basket of debt futures or debt options contracts), debt instrument (or basket of debt instruments), commodity or commodity index (or basket of commodities and/or commodity indices), inflation index (or basket of inflation indices), currency (or basket of currencies), fund share or unit (or basket of fund shares or units), futures contracts (or basket of futures contracts), or other basis of reference to which the value of the relevant Securities may relate, as specified in the applicable

Final Terms (such reference being the "**Underlying Reference**"). Each Issuer may also issue Securities linked to the credit of a specified entity (or entities) (each such entity a "**Reference Entity**" and, where the context admits, each an "**Underlying Reference**").

Potential investors should be aware that:

(a) the market price of such Securities may be volatile

(b) they may receive no remuneration;

(c) since the Securities are not capital guaranteed, they may lose all or a substantial portion of their investment;

(d) the Underlying References may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other securities or indices;

(e) the timing of changes in a Underlying Reference may affect the actual yield to investors, even if the average level is consistent with their expectations;

(f) if the Securities are Physical Delivery Securities, there is no assurance that the value of the underlying assets relating to the Underlying Reference received may be less than the trading price of the Securities; and

(g) the Securities are of limited maturity and, unlike direct investments in a share, index, fund, currency, debt instrument, fund, exchange traded instrument, inflation index, future, interest rate or commodity, investors are not able to hold Securities beyond the Settlement Date in the expectation of a recovery in the price of the Underlying Reference.

Securities linked to Underlying Reference(s) will represent an investment linked to the economic performance of the relevant Underlying Reference(s) and potential investors should note that the return (if any) on their investment in such Securities will depend upon the performance of such Underlying Reference(s). Securities linked to the difference in performance between two Underlying References (in case of Performance Differential Securities) will represent an investment linked to the difference between the economic performance of the relevant Underlying Reference(s) and potential investors should note that the return (if any) on their investment in such Securities will depend upon the relative performance of such Underlying References. Potential investors should also note that whilst the market value of such Securities is linked to such Underlying Reference(s) and will be influenced (positively or negatively) by such Underlying Reference(s), any change in the market value of such Securities may not be comparable to changes in the market value of the Underlying Reference(s). It is impossible to predict how the market value of the relevant Underlying Reference(s) will vary over time.

The exposure to the Underlying Reference in many cases will be achieved by the relevant Issuer entering into hedging arrangements. Potential investors should be aware that under the terms of Underlying Reference linked Securities they are exposed to the performance of these hedging arrangements and the events that may affect these hedging arrangements and consequently the occurrence of any of these events may affect the value of the Securities.

The risk of the loss of some or all of the subscription or purchase price of a Security on settlement means that, in order to recover and realise a return upon his or her investment, an investor must generally be correct about the direction, timing and magnitude of an anticipated change in the value of the Underlying Reference or credit risk of the Reference Entity ("**Entities**") which may be specified in the applicable Final Terms. Assuming all other factors are held constant, the lower the value of a Security and the shorter the remaining term to settlement, the greater the risk that Securityholders of such Securities will lose all or part of their investment.

Fluctuations in the value of the relevant index or basket of indices will affect the value of Index Securities or Inflation Index Securities. Fluctuations in the price of the relevant share, GDR or ADR or value of the basket of shares, GDRs and/or ADRs will affect the value of Share Securities. Fluctuations in the price of the relevant interest in an exchange traded instrument or value of the basket of interests in exchange traded instruments will affect the value of ETI Securities. Fluctuations in the price or yield of the relevant debt instrument or value of the basket of debt instruments will affect the value of Debt Securities. Also, the character of the particular market on which a debt instrument is traded, the absence of last sale information and the limited availability of quotations for such debt instrument may make it difficult for many investors to obtain timely, accurate data for the price or yield of such debt instrument. Fluctuations in the value of the relevant inflation index or basket of inflation indices will affect the value of Inflation Index Securities. Fluctuations in the rates of exchange between the relevant currencies will affect the value of Currency Securities. Fluctuations in the value of the relevant commodity or commodity index or basket of commodities and/or commodity indices will affect the value of Commodity Securities. Fluctuations in the value of the relevant fund share or unit or fund index or basket of fund shares or units will affect the value of the Fund Securities. Fluctuations in the value of the relevant futures contracts or basket of futures contracts will affect the value of the Futures Securities. Fluctuations in the creditworthiness of the relevant Reference Entity or Reference Entities will affect the value of the Credit Securities. In the case of Hybrid Securities the Underlying Reference in respect of which is any combination of such indices, shares, GDRs, ADRs, interests in exchange traded instruments, debt instruments, futures or options contracts, currencies, commodities, inflation indices, fund shares, futures contracts, underlying interest rate or any other asset class or type, fluctuations in the value of any one or more of such Underlying References will correspondingly affect the value of Hybrid Securities. Potential investors risk losing their entire investment if the value of the relevant Underlying Reference does not move in the anticipated direction.

The historical performances of an Underlying Reference should not be viewed as an indication of the future performance of such Underlying Reference during the term of any Securities. Accordingly, each potential investor should consult its own financial and legal advisers about the risks entailed by an investment in any Securities and the suitability of such Securities in light of its particular circumstances.

Each Issuer may issue several issues of Securities relating to various Underlying References. However, no assurance can be given that the relevant Issuer will issue any Securities other than the Securities to which a particular Final Terms relates. At any given time, the number of Securities outstanding may be substantial. Securities provide opportunities for investment and pose risks to investors as a result of fluctuations in the value of the underlying investment. Securities on shares, interests in exchange traded instruments, debt instruments or fund shares or units or fund indices are priced primarily on the basis of the value of underlying securities whilst Securities on currencies and commodities 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.

Potential Loss of the Holder's Investment in the Securities

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

Possible Illiquidity of the Securities in the Secondary Market

It is very difficult to predict the price at which Securities will trade in the secondary market or whether such market will be liquid or illiquid. The Issuer may, but is not obliged to, list or ask for admission to trading of Securities on a stock exchange or a trading venue. If the Securities are not listed or admitted to trading on any stock exchange or trading venue, pricing information for the Securities may be more difficult to obtain and the liquidity of the Securities may be adversely affected. If the Securities are listed or admitted to trading on any stock exchange or trading venue, there can be no assurance that at a later date, the Securities will not be delisted or that trading on such stock exchange or trading venue will not be suspended. In the event of a delisting or suspension of listing or trading on a stock exchange or trading venue, the relevant Issuer will use its reasonable efforts to list or obtain the admission to trading of the Securities on another stock exchange or trading venue. Also, to the extent Securities of a particular issue are settled in part, the number of Securities of such issue outstanding will decrease, resulting in a diminished liquidity for the remaining Securities of such issue. A decrease in the liquidity of an issue of Securities may cause, in turn, an increase in the volatility associated with the price of such issue of Securities.

Each Issuer and any of its Affiliates may, but is not obliged to, at any time purchase Securities at any price in the open market or by tender or private offer/treaty. Any Securities so purchased may be held or resold or surrendered for cancellation as further described herein. Each Issuer or any of its Affiliates may, but is not obliged to, be a market-maker for an issue of Securities. In those circumstances, the entity acting as market-maker will endeavour to maintain a secondary market throughout the life of the Securities, subject to normal market conditions and will submit bid and offer prices to the market. The spread between bid and offer prices may change during the life of the Securities. However, during certain periods, it may be difficult, impractical or impossible for the entity acting as market-maker to quote bid and offer prices, and during such periods, it may be difficult, impracticable or impossible to buy or sell these Securities. This may, for example, be due to adverse market conditions, volatile prices or large price fluctuations, a large marketplace being closed or restricted or experiencing technical problems such as an IT system failure or network disruption.

Even if the relevant Issuer or such other entity is a market-maker for an issue of Securities, the secondary market for such Securities may be limited.

Investors should note that if an entity is appointed as market-maker or liquidity provider with respect to the Securities in the secondary market, this may, in certain circumstances, affect the price of the Securities in the secondary market.

In addition, all or part of the Securities issued under this Programme may be subscribed upon issuance by the relevant Issuer itself or by its Affiliate(s) for resales thereafter on the basis of investors' demand. Accordingly, investors subscribing for Securities upon their issuance should be aware that there may not be a viable secondary market for the relevant Securities immediately. Even if a market does develop subsequently, it may not be very liquid.

Risk of Leveraged Exposure

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

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

Exposure to modification and disruption events

In case certain events, indicated in the Terms and Conditions and the relevant Final Terms, occurs with reference to the relevant Underlying Reference(s), the Calculation Agent has broad discretion to make certain determinations to account for such event(s) including to (i) make adjustments to the terms of the Securities and/or (ii) cause early settlement of the Securities, any of which determinations may have an adverse effect on the value of the Securities.

Securities are Unsecured Obligations

The Securities are unsubordinated and unsecured obligations of the relevant Issuer and will rank *pari passu* with themselves. Each issue of Securities issued by Mediobanca International will be guaranteed by Mediobanca pursuant to the deed of guarantee executed by the Guarantor and dated 24 May 2019 (the "**Deed of Guarantee**"). The obligations of Mediobanca under the Deed of Guarantee are unsubordinated and unsecured obligations of Mediobanca and will rank *pari passu* with all its other present and future unsubordinated and unsecured obligations, subject as may from time to time be mandatory under Italian law and subject to the application of the bail-in legislation applicable to the Guarantor.

Certain Factors Affecting the Value and Trading Price of Securities

The Cash Settlement Amount (in the case of Cash Settled Securities) less the Exercise Price (the "**Physical Settlement Value**") (in the case of Physical Delivery Securities) at any time prior to expiration is typically expected to be less than the trading price of such Securities at that time. The difference between the trading price and the Cash Settlement Amount or the Physical Settlement Value, as the case may be, will reflect, among other things, a "time value" for the Securities. The "time value" of the Securities will depend partly upon the length of the period remaining to expiration and expectations concerning the value or level of the Underlying Reference(s). Securities offer hedging and investment diversification opportunities but also pose some additional risks with regard to interim value. The interim value of the Securities varies with the price level of the Underlying Reference(s), as well as by a number of other interrelated factors, including those specified herein.

Before selling Securities, Securityholders should carefully consider the factors set out below, which may cause the value and trading price of the Securities to fluctuate, either positively or negatively:

(a) the trading price of the Securities;

(b) the value and volatility of the Underlying Reference(s) as specified in the applicable Final Terms. Depending on the applicable payout or remuneration rates, movements in the value and/or volatility of the Underlying Reference may cause the value of the Securities to either rise or fall;

(c) the time remaining until the scheduled Settlement date of the Securities. Depending on the applicable payout or remuneration rates, the value of the Securities may fluctuate as the time remaining until the scheduled settlement date decreases;

(d) in the case of Cash Settled Certificates the probable range of Cash Settlement Amounts;

(e) any change(s) in interim interest rates and dividend yields, if applicable. Depending on the applicable payout or coupon or remuneration rates, movements in interest rates and/or dividends may cause the value of the Securities to either rise or fall;

(f) any change(s) in currency exchange rates;

(g) the depth of the market or liquidity of the Underlying Reference as specified in the applicable Final Terms; and

(h) any related transaction costs.

Such factors may mean that the trading price of the Securities is below the Cash Settlement Amount or the Physical Settlement Value, as applicable.

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

Prospective investors in the Securities should be aware that the subscription or purchase price of a Security does not necessarily reflect its inherent value. Any difference between a Security's subscription or 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 subscribing or purchasing the Securities. Prospective investors may also wish to seek an independent valuation of Securities prior to their subscription or purchase.

Modification

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

The Terms and Conditions of the Securities also provide that the relevant Issuer and the Guarantor may, without the prior consent of the holders of the Securities correct (i) any manifest error in the Terms and Conditions of the Securities and/or in the Final Terms, (ii) any error of a formal, minor or technical nature in the Terms and Conditions of the Securities and/or in the Final Terms or (iii) any inconsistency in the Terms and Conditions of the Securities and/or in the Final Terms between the Terms and Conditions of the Securities and/or the Final Terms and any other documents prepared in connection with the issue and/or offer of a Series of Securities (provided such correction is not materially prejudicial to the holders of the relevant Series of Securities). Any such correction shall be binding on the holders of the relevant Securities and the relevant Issuer and the Guarantor (if applicable) shall cause such correction to be notified to the holders of the Securities as soon as practicable thereafter pursuant to Security Condition 8 (*Notices*).

Minimum Trading Amount

Investors should note that the Securities may have a minimum trading amount. In such cases, if, following the transfer of any Securities, a Securityholder holds fewer Securities than the specified minimum trading amount, such Securityholder will not be permitted to transfer their remaining Securities prior to settlement without first purchasing enough additional Securities in order to hold the minimum trading amount.

Potential Conflicts of Interest

The relevant Issuer and/or any of its Affiliates may also engage in trading activities (including hedging activities) related to the asset or other basis of reference underlying any Securities and other instruments or derivative products based on or related to the asset or other basis of reference underlying any Security for their proprietary accounts or for other accounts under their management. The Issuer and/or any of its Affiliates may also issue other derivative instruments in respect of the asset or other basis of reference underlying Securities. The relevant Issuer and/or any of its Affiliates may also act as underwriter in connection with future offerings of shares or other securities related to an issue of Securities or may act as financial adviser to certain companies or companies whose shares are included in a basket of shares or in a commercial banking capacity for such companies. Such activities could present certain conflicts of interest, could influence the prices of such shares or other securities and could adversely affect the value of such Securities.

Under the Terms and Conditions of the Securities, the Calculation Agent may make certain determinations in respect of the Securities (including whether a Market Disruption Event, a Settlement Disruption Event or Credit Event (each, as defined in the Terms and Conditions) has occurred) which could affect the amount payable by the

relevant Issuer on the Securities. In exercising its right to make such determinations, the Calculation Agent is obligated to carry out its duties and functions as Calculation Agent acting in good faith and in a commercially reasonable manner however, subject to always acting only within the parameters allowed by the terms and conditions of the Securities, it has no responsibility to take investors' interests into account. Where the relevant Issuer acts as Calculation Agent, potential conflicts of interest may exist between the Calculation Agent and the Securityholders, including with respect to those determinations that the Calculation Agent may make pursuant to the Securities that may influence the Cash Settlement Amount payable, or the Entitlement deliverable (as the case may be), on the Settlement Date.

Investors should note that Securities issued under the Programme may be underwritten by Dealers (including Mediobanca) which receive in consideration underwriting commissions and selling concessions. The relevant Issuer may also offer and sell Securities directly to investors without the involvement of any Dealer. In addition, Mediobanca may act as market maker or specialist or perform other similar roles in connection with the Securities: potential conflicts of interest may exist between Mediobanca acting in such capacity on the one hand, and investors in the Securities on the other.

Investors should note too that Mediobanca itself is acting in a number of capacities in connection with the issuance of the Securities. In particular Mediobanca will act as, *inter alia*, the relevant Issuer, the Guarantor in respect of Mediobanca International's obligations, the Dealer, the Calculation Agent, the Arranger and Italian Paying Agent.

Even if its respective rights and obligations in relation to the issuance of the Securities are not conflicting and are independent from one another, in performing any such obligations in these different capacities, Mediobanca may be in a situation of conflict of interests. Mediobanca will only have the duties and responsibilities expressly agreed to by such entity in the relevant capacity and will not, by virtue of its or any of its affiliates acting in any other capacity, be deemed to have other duties or responsibilities or be deemed to hold a duty of care other than as expressly provided in respect of each such capacity.

Any further conflict of interest, including conflicts between the relevant Issuer and any Dealers or distributors will be indicated in the relevant Final Terms.

In respect of ETI Securities and Fund Securities:

(a) the relevant Issuer or one or more of its Affiliates may from time to time engage in business with the relevant ETI or Fund, as the case may be, or companies in which an ETI or Fund, as the case may be, invests, including among other things, extending loans to, or making investments in, or providing advisory services to them, including merger and acquisition advisory services, engaging in activities that may include prime brokerage business, financing transactions or entry into derivative transactions;

(b) the ETI or Fund (each as defined below), as applicable, may pay a portion of its fees to the relevant Issuer or any of its Affiliates for the provision of such services;

(c) in the course of this business, the relevant Issuer, the Guarantor (if any), the Calculation Agent and any of their respective Affiliates may acquire non-public information about an ETI or a Fund, as applicable, or any companies, funds or reference assets in which an ETI or a Fund invests and the relevant Issuer,

the Guarantor (if any), the Calculation Agent or any of their respective Affiliates may publish research reports about them. This research may be modified from time to time without notice and may express opinions or provide recommendations that are inconsistent with purchasing or holding ETI Securities or Fund Securities, as applicable. Such activities could present certain conflicts of interest, could influence the prices of such shares, Fund Shares, ETI Interests or other securities and could adversely affect the value of such Securities;

Certain Considerations Regarding Subscribing or Purchasing Securities as Hedges

Prospective investors intending to subscribe or 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.

The Issuer and/or any of its respective Affiliates or agents may from time to time hedge the relevant Issuer's obligations under Securities (and under other instruments and OTC contracts issued by or entered into from time to time by the relevant Issuer and/or any of its respective Affiliates or agents relating to such securities) by taking positions, directly or indirectly, in the relevant Underlying Reference. Although the relevant Issuer has no reason to believe that such hedging activities will have a material impact on the price of any relevant Underlying Reference, there can be no assurance that such hedging activities will not adversely affect the value of the Securities.

Bull and Bear Securities

Bull Certificates and Bear Certificates (together, the "**Bull and Bear Securities**" or "**Single Final Payout - Leverage Factor Securities**") are designed for very short-term trading or intraday trading and are not intended for buy-to-hold investing. The percentage change in value of the Securities over one day will be the Leverage Factor which is a constant factor for each Security multiplied by the daily performance of the relevant Underlying Reference measured as the percentage change of the reference price from one day to the next day adjusted by the applicable Financing Component (which includes a Fee, an Interest Margin and Hedging Costs and may be positive or negative depending on, amongst other things, prevailing interest rates). Bull Certificates aim to produce a performance equal to the Leverage Factor (as specified in the applicable Final Terms) multiplied by the performance of the relevant Underlying Reference whereas Bear Certificates aim to produce a performance equal to the Leverage Factor times the inverse performance of the relevant Underlying Reference. However, because the performance of the Securities over any period longer than one day will be derived from the compounded daily performance of the relevant Underlying Reference during that period, such Security's performance may differ significantly to the overall performance of the Underlying Reference over that same period. Accordingly, compared to a security that measures change in value of the Underlying Reference between two dates, Bull and Bear Securities may have significantly different outcomes depending on the number and direction of changes in

the daily value of the Underlying Reference over such period and the order in which such changes occur. Bull and Bear Securities are therefore described as "path-dependent" financial instruments. The potential for divergence between the Performance of the Bull and Bear Securities and the performance of the Underlying Reference over the same period of time will increase as such period becomes longer and will be most marked in periods when the value of the Underlying Reference is volatile. Consequently, Bull or Bear Securities are only suitable for intra-day trading or very short investment periods.

The terms of the Securities contain no negative pledge, and the Issuer is not prohibited from incurring additional debt.

There is no negative pledge in respect of the Securities and the Terms and Conditions of the Securities place no restrictions on the incurrence by the Issuer or the Guarantor (if applicable) of additional obligations that rank *pari passu* with, or senior to, the Securities. In addition, the Issuer or the Guarantor (if applicable) may pledge assets to secure other notes or debt instruments without granting an equivalent pledge or security interest and status to the Securities.

There are no events of default under the Securities

The Terms and Conditions of the Securities do not include events of default allowing for the acceleration of the Securities if certain events occur. Accordingly, if the Issuer or the Guarantor (if applicable) fail to meet any obligations under the Securities, Securityholders will not be able to accelerate the payment of amounts under the Securities. Upon a payment default, the sole remedy available to holders of such Securities for recovery of amounts owing in respect of any payment on such Securities will be the institution of proceedings to enforce such payment. Notwithstanding the foregoing, the Issuer or the Guarantor (if applicable) will not, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it.

Limited Exposure to Underlying Reference

The Securities may provide for the application to the relevant Underlying Reference of a component weight, in order to increase or decrease the percentage of each Underlying Reference used to determine the amounts payable or deliverable to investors. The component weight may be lower than 100 per cent.

In such case, the amounts payable or deliverable to investors will be reduced and, therefore, will contribute to the yield of the Securities only to such reduced extent. The performance of the relevant Underlying Reference(s) will, therefore, impact the yield of the Securities only to a limited extent.

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

Expenses and Taxation

A holder of Securities must pay all Expenses relating to such Securities. As used in the Conditions, Expenses means all taxes, duties and/or expenses, including any applicable depository charges, transaction or exercise charges, sale commissions, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other

taxes or duties arising from the exercise and settlement of such Securities and/or the delivery or transfer of the Entitlement (as applicable) pursuant to the terms of such Securities as more fully set out in Condition 9 (*Expenses and Taxation*) of the Terms and Conditions of the Securities.

The Issuer shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, exercise or enforcement of any Security by any person and all payments made by the relevant Issuer shall be made subject to any such tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.

Other taxation considerations

It is not possible to predict whether the taxation regime applicable to Securities on the date of purchase or subscription will be amended during the term of the Securities. If such amendments are made, the taxation regime applicable to the Securities may differ substantially from the taxation regime in existence on the date of purchase or subscription of the Securities.

Change of Law

The Terms and Conditions are based on English law or Italian law, as the case may be, in effect as at the date of this Base Prospectus, except for the status provisions applicable to the Securities and the contractual recognition of bail-in powers provisions, and any non contractual obligations arising out of or in connection with such provisions, which shall be governed by, and construed in accordance with, Italian law (if the Securities are issued by Mediobanca) or Luxembourg law (if the Securities are issued by Mediobanca International), as applicable. No assurance can be given as to the impact of any possible judicial decision or change to an administrative practice or change to English law or Italian and/or Luxembourg law, as applicable, after the date of this Base Prospectus and any such change could materially adversely impact the value of any Securities affected by it.

Procedures of clearing systems

Unless otherwise provided in the Final Terms, Securities issued under the Programme may be represented by one or more Global Securities and such Global Securities will be deposited with a common depositary for Euroclear and/or Clearstream, Luxembourg. Except in the circumstances described in the relevant Global Security, investors will not be entitled to receive definitive Securities. Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system provided in the Final Terms will maintain records of the beneficial interests in the Global Securities. While the Securities are represented by one or more Global Securities, investors will be able to trade their beneficial interests only through Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system. While the Securities are represented by one or more Global Securities the relevant Issuer will discharge its payment obligations under the Securities by making payments to the common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system for distribution to their account holders. A holder of a beneficial interest in a Global Security must rely on the procedures of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system to receive payments under the relevant Securities. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Securities. Holders of beneficial interests in the Global Securities will not have a direct right to vote in respect of the relevant Securities. Instead, such holders will be permitted to act

only to the extent that they are enabled by Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system to appoint appropriate proxies.

Italian Dematerialised Securities issued under the Programme will be in dematerialised form and evidenced at any time through book entries pursuant to the relevant provisions of Italian legislative decree no. 58/1998, as amended and integrated by subsequent implementing provisions, and in accordance with CONSOB and Bank of Italy Joined Regulation dated 22 February 2008, as amended and integrated by subsequent implementing provisions. In no circumstance would physical documents of title be issued in respect of the Italian Dematerialised Securities. While the Italian Dematerialised Securities are represented by book entries, investors will be able to trade their beneficial interests only through Monte Titoli S.p.A. ("**Monte Titoli**") and the authorised financial intermediaries holding accounts on behalf of their customers with Monte Titoli. As the Italian Dematerialised Securities are held in dematerialised form with Monte Titoli, investors will have to rely on the procedures of Monte Titoli and the financial intermediaries authorised to hold accounts therewith, for transfer, payment and communication with the relevant Issuer or Guarantor (if any).

Termination of Securities in the Event of Illegality or Impracticability

If the relevant Issuer determines that the performance of its obligations under the Securities or that any arrangements made to hedge the relevant Issuer's obligations under the Securities have become (i) illegal in whole or in part for any reason, or (ii) by reason of a *force majeure* event (such as an act of God, fire, flood, severe weather conditions, or a labour dispute or shortage) or an act of state occurring after the Trade Date (as specified in the applicable Final Terms), impossible or impracticable the relevant Issuer may settle the Securities.

If the relevant Issuer settles the Securities pursuant to an illegality then the relevant Issuer will, if and to the extent permitted by applicable law, pay an amount to each Securityholder in respect of each Security held by such holder, which amount shall be equal to the fair market value of a Security, notwithstanding such illegality less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the relevant Issuer and/or any of its Affiliates or agents of unwinding any underlying related hedging arrangements (including any cost of funding in respect of such hedging arrangements), all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner.

If the relevant Issuer settles the Securities by reason of a *force majeure* event or an act of state, then the relevant Issuer will, if and to the extent permitted by applicable law, pay an amount to each Securityholder in respect of each Security held by such holder, which amount shall be equal to the fair market value of a Security, taking into account the applicable *force majeure* event or act of state, as the case may be, less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the relevant Issuer and/or any of its Affiliates or agents of unwinding any underlying related hedging arrangements (including any cost of funding in respect of such hedging arrangements), all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner.

In the cases described above, the amount paid by Issuer to the Securityholders may be less than the subscription or purchase price of the Securities and may in certain circumstances be zero.

Post-issuance Information

Save as set out in the applicable Final Terms, the relevant Issuer will not provide post-issuance information in relation to the Underlying Reference. In such an event, investors will not be entitled to obtain such information from the relevant Issuer.

The remuneration rate payable on the Securities or the amount payable or deliverable on settlement of the Securities may in certain circumstances be changed during the life of the Securities

If Coupon Switch Election or Automatic Coupon Switch is specified in the applicable Final Terms, the remuneration rate payable may be switched from one rate or amount to another in the Issuer's discretion (in the case of Coupon Switch Election) or following the occurrence of an Automatic Coupon Switch Event (in the case of an Automatic Coupon Switch). If Payout Switch Election or Automatic Payout Switch is specified in the applicable Final Terms, the amount payable or deliverable on settlement may be switched from one amount payable or deliverable to another in the Issuer's discretion (in the case of Payout Switch Election) or following the occurrence of an Automatic Payout Switch Event (in the case of an Automatic Payout Switch). As a consequence of the exercise of a Coupon Switch Election or Payout Switch Election or the occurrence of an Automatic Coupon Switch Event or Automatic Payout Switch Event, the Underlying Reference may be changed. As the payout on such Securities may be switched during the life of the Securities investors may receive a return which differs from, and may be significantly less than, that which they expected to receive or they may receive no return.

Impossibility to know the amount of the Securities in circulation on the date of issue

The Securities may be issued and withheld by the relevant Issuer for the progressive sale on the market in accordance with investors' demand. In this context an investor who acquires the Securities does not know in the moment of subscription or purchase how much of the issued Securities effectively are publicly traded with the consequence that the amount in circulation could be meagre and may not guarantee successively adequate liquidity in the Securities.

Issue of subsequent tranche

In the event the relevant Issuer decides to issue further Securities having the same terms and conditions as already existing Securities (or in all respects except for the issue price per Security indicated in the applicable Final Terms (the "**Issue Price**"), the Issue Date and/or the first payment of remuneration (if any)) and so that the further Securities shall be consolidated and form a single series with the original Securities, the greater amount of Securities in circulation could lead to greater liquidity in the secondary market with a consequent negative impact on the price of the relevant Securities.

Physical Delivery Requirements and Settlement Risk

In order to receive the Entitlement in respect of a Physical Delivery Security, the holder of such Security (acting through the relevant Monte Titoli Accountholder, in case of Italian Dematerialised Securities) must (1) deliver or send by authenticated swift message (confirmed in writing) to Euroclear or Clearstream, Luxembourg or any other relevant clearing system (as the case may be), with a copy to the relevant Issuer and the Fiscal Agent or the Italian Paying Agent (in case of Italian Dematerialised Securities) a duly completed Physical Delivery Confirmation Notice on or prior to the relevant time on the Exercise Date (in the case of a Physical Delivery

Certificate) and (2) pay the relevant Expenses, together with any other amounts payable. In case of failure to do so the Issuer shall have no obligation to make delivery of the Entitlement in respect of such Security unless and until a duly completed Physical Delivery Confirmation Notice is delivered as provided in the terms and conditions. If the duly completed Physical Delivery Confirmation Notice is delivered after 10.00 a.m. (Brussels or Luxembourg time, as the case may be) on the Exercise Date, delivery of such Entitlement shall be made as soon as possible thereafter but not earlier than the Settlement Date. For the avoidance of doubt, the relevant holder of a Certificate shall not be entitled to any additional or further payment by reason of the delivery of the Entitlement in respect of such Certificate occurring after the Settlement Date as a result of such Physical Delivery Confirmation Notice being delivered after 10.00 a.m. (Brussels or Luxembourg time, as the case may be) on the Exercise Date.

In connection with the exercise of Physical Delivery Certificates, unless otherwise indicated in the applicable Final Terms, the Calculation Agent may determine that a Settlement Disruption Event or, if applicable, a Failure to Deliver due to Illiquidity is subsisting. Any such determination may affect the value of the Securities and/or may delay settlement and/or lead to cash settlement rather than physical settlement in respect of the Securities.

In relation to Physical Delivery Securities, under the Guarantee, the Guarantor has the right at all times to elect not to deliver or procure delivery of the Entitlement to the holders of Physical Delivery Securities, but in lieu thereof to pay an amount in cash equal to the Guaranteed Cash Settlement Amount specified in the applicable Final Terms or determined bt the Calculation Agent in accordance with the Terms and Conditions. Such cash payment will constitute a complete discharge of the Guarantor's obligations in relation to such Physical Delivery Securities.

The Barrier Level, Bonus Level and/or Cap Level may not be known until after the Issue Date

In certain circumstances in respect of SFP Payouts, the Barrier Level, Bonus Level and/or Cap Level may not be known at the issue date of the Securities. In these circumstances, the Final Terms will specify that the Barrier Level, Bonus Level and/or Cap Level, as applicable, will be the product of a specified percentage and the Closing Level, Closing Price, Italian Securities Reference Price, Relevant Price or Settlement Price, as applicable, of the Underlying Reference on the Strike Date (rounded upwards or downwards as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner). Following the Strike Date, the Issuer will give notice of the actual Barrier Level, Bonus Level and/or Cap Level, as applicable, applicable to the Securities. Prospective investors should review the Final Terms together with the information contained in the notice in order to ascertain the Barrier Level, Bonus Level and/or Cap Level which will apply to the Securities.

Risks Relating to Automatic Early Settlement of the Securities

In the case of Securities that include an Automatic Early Settlement feature, the longer the time remaining until the scheduled settlement date of the Securities, the higher the probability that an Automatic Early Settlement Event will occur.

In the event that the relevant level, value or price of the Underlying Reference approaches the level that triggers the Automatic Early Settlement Event, the Securityholder may not be able to sell the Securities in the secondary market before the occurrence of the Automatic Early Settlement Event (see also "*Possible Illiquidity of the Securities in the Secondary Market*" above). If the Underlying Reference is listed on a different exchange to that

on which the Securities are listed, the Automatic Early Settlement Event may occur outside the normal trading hours of the exchange on which the Securities are listed. In this case, the Securityholder may not have an opportunity to sell the Securities in the secondary market before the Automatic Early Settlement Event occurs.

Risk of Loss Following Automatic Early Settlement of the Securities

In the case of Securities that include an Automatic Early Settlement feature, if the relevant level, value or price of the Underlying Reference(s) reaches the level that triggers the Automatic Early Settlement Event, the product will automatically settled before the scheduled settlement date. Depending on the applicable payout, the Securityholder may lose some or all of their investment in the Securities.

Gap Risk

Securityholders will be exposed to the gap risk associated with the relevant level, value or price of the Underlying Reference(s), whereby the relevant level, value or price of one or more Underlying Reference may change suddenly and significantly during the trading day or at the opening of the market. Such change may be positive or negative.

The price of the Securities may include a premium, which includes the cost to the Issuer or its Affiliates of unwinding its hedging positions in relation to the Securities on early settlement of the Securities. The calculation of the premium charged to Securityholders is based on the gap risk associated with the relevant level, value or price of the Underlying Reference(s). The Securityholder will not receive a refund of this premium if an Automatic Early Settlement Event occurs.

Administrator/Benchmark Event

If specified as an Optional Additional Disruption Event in the applicable Final Terms, the occurrence of an Administrator/Benchmark Event may lead to early settlement or adjustment of the Securities, which may include selecting one or more successor benchmarks and making related adjustments to the Securities, including, if applicable to reflect increased costs. An Administrator/Benchmark Event may arise if any of the following circumstances occurs or will occur: (1) a benchmark is materially changed or permanently cancelled, or (2) (i) the relevant authorisation, registration, recognition, endorsement, equivalence decision or approval in respect of the benchmark or the administrator or sponsor of the benchmark is not obtained, (ii) an application for authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register is rejected or (iii) any authorisation, registration, recognition, endorsement, equivalence decision or approval is suspended or inclusion in any official register is withdrawn.

Future discontinuance of LIBOR may adversely affect the value of the Securities

On 27 July 2017, the Chief Executive of the United Kingdom Financial Conduct Authority, which regulates LIBOR, announced that it does not intend to continue to persuade, or use its powers to compel, panel banks to submit rates for the calculation of LIBOR to the administrator of LIBOR after 2021. The announcement indicates that the continuation of LIBOR on the current basis is not guaranteed after 2021. It is not possible to predict whether, and to what extent, panel banks will continue to provide LIBOR submissions to the administrator of

LIBOR going forwards. This may cause LIBOR to perform differently than it did in the past and may have other consequences which cannot be predicted.

Investors should be aware that, if LIBOR were discontinued or otherwise unavailable, the remuneration rate on the Securities will be determined for the relevant period by the fall-back provisions applicable to the Securities. Depending on the manner in which the LIBOR rate is to be determined under the Terms and Conditions, this may in certain circumstances (i) be reliant upon the provision by reference banks of offered quotations for the LIBOR rate which, depending on market circumstances, may not be available at the relevant time or (ii) result in the effective application of a fixed rate based on the rate which applied in the previous period when LIBOR was available. Any of the foregoing could have an adverse effect on the value or liquidity of, and return on, the Securities.

If LIBOR, EURIBOR or any other benchmark is discontinued, the applicable floating remuneration rate or Underlying Interest Rate may be changed in ways that may be adverse to Holders of such Securities

In respect of Securities linked to an Underlying Interest Rate or Securities which pay a floating remuneration rate, if the Issuer or the Calculation Agent determines at any time that the relevant reference rate has been discontinued, the Calculation Agent will use, as a substitute for the relevant reference rate, the alternative reference rate selected by the central bank, reserve bank, monetary authority or any similar institution in the jurisdiction of the currency of the relevant rate that is consistent with industry accepted standards. If the Calculation Agent notifies the Issuer that it is unable to determine such an alternative reference rate, the Calculation Agent will appoint a determination agent (which may be the Issuer, the Guarantor (if applicable) or an affiliate of the Issuer, the Guarantor (if applicable) or the Calculation Agent) who will determine a replacement reference rate, as well as any required changes to the business day convention, the definition of business day, the interest determination date, the day count fraction and any method for calculating the replacement rate including any adjustment required to make such replacement reference rate comparable to the relevant reference rate. Such replacement reference rate will (in the absence of manifest error) be final and binding, and will apply to the relevant Securities.

The replacement rate may perform differently from the discontinued reference rate. For example, there are currently proposals to replace LIBOR (which generally has a term of one, three or six months) with an overnight rate. Similarly, proposals have been made to use a rate on highly rated government obligations to replace LIBOR, which is currently based on interbank lending rates and carries an implicit element of credit risk in the banking sector. These and other changes could significantly affect the performance of an alternative rate compared to the historical and expected performance of LIBOR. There can be no assurance that any adjustment applied to any Securities will adequately compensate for this impact. This could in turn impact the rate of interest on and trading value of the affected Securities.

If the Calculation Agent or the determination agent is unable to determine an appropriate replacement reference rate, then the relevant rate of interest for the affected Securities will not be changed. The terms of the Securities provide that, if it is not possible to determine a value for a given reference rate, the relevant reference rate on such Securities will be the last available rate plus or minus, as indicated in the applicable Final Terms, the margin, if any, effectively converting such Securities into fixed rate obligations. The conditions also provide for other

fallbacks, such as consulting reference banks for rate quotations, which may not be possible if the reference banks decline to provide such quotations for a sustained period of time (or at all).

It is possible that, if a reference rate is discontinued, a clear successor rate will not be established in the market for some time. Accordingly, the terms of the Securities provide as an ultimate fallback that, following the designation of a replacement rate, if the Calculation Agent or the determination agent appointed by the Calculation Agent considers that such replacement reference rate is no longer substantially comparable to the original reference rate or does not constitute an industry accepted successor rate, the Calculation Agent will appoint or re-appoint a determination agent (which may or may not be the same entity as the original determination agent) for the purposes of confirming the replacement reference rate or determining a substitute replacement reference rate (despite the continued existence of the initial replacement reference rate). Any such substitute replacement reference rate, once designated pursuant to the Conditions, will apply to the affected Securities. This could impact the relevant remuneration rate in respect of the Securities and the trading value of the affected Securities. In addition, any Holders of such Securities that enter into hedging instruments based on the original replacement reference rate may find their hedges to be ineffective, and they may incur costs replacing such hedges with instruments tied to the new replacement reference rate.

(B) *Certain* considerations associated with specific types of Securities

Certain Risks Associated with SFP Securities

(i) Risks associated with Capital Protection Securities

Capital Protection Securities include: (i) Single Final Payout - Protected Securities and (ii) Single Final Payout - Protected Capped Securities, as described in Annex 1 (*Additional Terms and Conditions relating to Formulas*).

Investors may be exposed to a partial loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and/or automatic early settlement features apply and on whether the final value of the Underlying Reference(s) is at, above, or below a protection level.

(ii) Risks associated with Yield Enhancement Securities

Yield Enhancement Securities include: (i) Single Final Payout - Parity and Exchange Securities, (ii) Single Final Payout – Double Coupon Securities, (iii) Single Final Payout - Continuous Double Coupon Securities, (iv) Single Final Payout- Leveraged Capped Securities, (v) Single Final Payout - Knock-Out Leveraged Capped Securities, (vi) Single Final Payout - Strike-Out Leveraged Capped Securities, (vii) Single Final Payout - Capped Speed Securities, (viii) Single Final Payout - Capped Bonus Parity Exchange, (ix) Single Final Payout – Capped Bonus Securities, (x) Single Final Payout - Reverse Capped Securities, (xi) Single Final Payout - Continuous Capped Bonus Securities, (xii) Single Final Payout - Continuous Capped Bonus Parity Exchange Securities, (xiii) Single Final Payout - Standard Express Securities, (xiv) Single Final Payout – Continuous Reverse Level Parity Exchange Securities, (xv) Single Final Payout - Standard Step Memory Securities and (xvi) Single Final Payout - Standard Memory Securities, as described in Annex 1 (*Additional Terms and Conditions relating to Formulas*).

Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and whether a cap, knock-out and/or automatic early settlement features apply.

(iii) Risks associated with Participation Securities

Participation Securities include: (i) Single Final Payout - Forex DivReinvested Fees Securities, (ii) Single Final Payout - Continuous Bonus Floored Exchange Parity Securities, (iii) Single Final Payout - Continuous Bonus Floored Securities, (iv) Single Final Payout - Continuous Capped Reverse Level Parity Exchange Securities, (v) Single Final Payout - Upside and Downside Securities, (vi) Single Final Payout - Capped Upside and Downside Securities, (vii) Single Final Payout - Continuous Bonus Barrier Securities, (viii) Single Final Payout - Capped Continuous Bonus Barrier Securities, as described in Annex 1 (*Additional Terms and Conditions relating to Formulas*).

Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and whether knock-in, knock-out and/or automatic early settlement features apply.

(iv) Risks associated with Leverage Securities

Leverage Securities include: (i) Single Final Payout - Lower Collared Knock-Out Securities, (ii) Single Final Payout - Upper Collared Knock-Out Securities, (iii) Single Final Payout - Continuous Lower Knock-Out Securities, (iv) Single Final Payout - Continuous Upper Knock-Out Securities, (v) Single Final Payout – Standard Call and Put Securities, (vi) Single Final Payout - Knock-In Call and Put Securities, (vii) Single Final Payout - Capitalised Call and Put Securities, as described in Annex 1 (*Additional Terms and Conditions relating to Formulas*).

Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and whether knock-in, knock-out and/or automatic early settlement features apply. Additionally, the return may depend on other market factors such as interest rates, the implied volatility of the Underlying Reference(s) and the time remaining until settlement. The effect of leverage on the Securities may be either positive or negative.

(v) Risks associated with Constant Leverage Securities

Constant Leverage Securities include the Single Final Payout - Leverage Factor Securities as described in Annex 1 (*Additional Terms and Conditions relating to Formulas*).

Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the daily performance of the Underlying Reference(s) and the operation of an automatic early settlement feature. Constant Leverage Securities are generally suited to short term investments intraday or over a few days. Investments held for a longer period of time may be affected by volatile market conditions which may have a negative impact on the performance of the Underlying Reference(s).

Certain Risks Associated with MFP Securities

(i) Risks associated with Multiple Final Payout – Constant Percentage Securities

Multiple Final Payout – Constant Percentage Securities are described in Annex 1 (*Additional Terms and Conditions relating to Formulas*).

Investors receive a fixed return on the Securities. This payout may be used in conjunction with at least one other payout to provide investors with partial or total capital protection.

(ii) Risks associated with Multiple Final Payout – Normal Performance Securities

Multiple Final Payout – Normal Performance Securities include: (i) Multiple Final Payout – Normal Performance Securities, (ii) Multiple Final Payout – 1-Way Cap Securities, (iii) Multiple Final Payout – 1-Way Floor Securities and (iv) Multiple Final Payout – 2-Way Securities, as described in Annex 1 (*Additional Terms and Conditions relating to Formulas*).

Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and whether participation factor, gearing, cap and/or floor and/or automatic early settlement features apply.

(iii) Risks associated with Multiple Final Payout – Performance Differential Securities

Multiple Final Payout – Performance Differential Securities are described in Annex 1 (*Additional Terms and Conditions relating to Formulas*).

Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on differential in performance between two Underlying References and whether participation factor and/or automatic early settlement features apply.

(iv) Risks associated with Multiple Final Payout - Reverse Convertible Securities

Multiple Final Payout - Reverse Convertible Securities include: (i) Multiple Final Payout – KI –Reverse Convertible Securities, (ii) Multiple Final Payout – KI – Extended Reverse Convertible Securities, (iii) Multiple Final Payout – KO – Extended Reverse Convertible Securities**,** (iv) Multiple Final Payout – KO –Reverse Convertible Securities, (v) Multiple Final Payout – Vanilla KI Reverse Convertible Securities, (vi) Multiple Final Payout – Vanilla KO Reverse Convertible Securities, and (vii) Multiple Final Payout – KIKO Reverse Convertible Securities, as described in Annex 1 (*Additional Terms and Conditions relating to Formulas*).

Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and whether a knock-in and/or knock-out event occurs and whether automatic early settlement features apply.

(v) Risks associated with Multiple Final Payout - Vanilla Securities

Multiple Final Payout - Vanilla Securities include: (i) Multiple Final Payout – Plain Vanilla Call Securities, (ii) Multiple Final Payout – Plain Vanilla Call Spread Securities, (iii) Multiple Final Payout – Plain Vanilla Put Securities, (iv)Multiple Final Payout – Plain Vanilla Put Spread Securities, (v) Multiple Final Payout – Plain Vanilla KI Digital Securities, (vi) Multiple Final Payout – Plain Vanilla KO Digital Securities, (vii) Multiple Final Payout – Geared Knock-in Vanilla Call Securities and (viii) Multiple Final Payout – Geared Knock-out Vanilla Call Securities, as described in Annex 1 (*Additional Terms and Conditions relating to Formulas*).

Investors may be exposed to a partial or total loss of their investment. The return depends on the performance of the Underlying Reference(s) and whether knock-in or knock-out features apply and whether automatic early settlement features apply.

(vi) Risks associated with Multiple Final Payout - Asian Securities

Multiple Final Payout - Asian Securities include: (i) Multiple Final Payout – Standard Asian Securities, (ii) Multiple Final Payout – Standard Collared Asian Spread Securities (iii) Multiple Final Payout Standard Himalaya Securities, and (iv) Multiple Final Payout – Dispersion Securities as described in Annex 1 (*Additional Terms and Conditions relating to Formulas*).

Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s), which is determined using an averaging method. The return will also depend on whether specific features, such as a cap or lock-in and/or automatic early settlement, apply.

(vii) Risks associated with Multiple Final Payout - Step Securities

Multiple Final Payout - Step Securities include: (i) Multiple Final Payout - 3-Step Knock-in Securities, (ii) Multiple Final Payout - 3-Step Plus Knock-in Securities (iii) Multiple Final Payout - 3-Step Knock-out Securities, (iv) Multiple Final Payout - 3-Step Plus Knock-out Securities (v) Multiple Final Payout – 4-Step Securities, (vi) Multiple Final Payout - Standard 3-Step Knock-in Securities, (vii) Multiple Final Payout - Standard 3-Step Knock-out Securities, (viii) Multiple Final Payout - Standard 2-Step Barrier Down Securities (ix) Multiple Final Payout - Standard 2-Step Barrier Up Securities, (x) Multiple Final Payout - 2-Step Knock-in Securities and (xi) Multiple Final Payout - 2-Step Knock-out Securities, as described in Annex 1 (*Additional Terms and Conditions relating to Formulas*).

Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and whether knock-in or knock-out and/or automatic early settlement features apply.

(viii) Risks associated with Multiple Final Payout - Performance Securities

Multiple Final Payout - Performance Securities include: (i) Multiple Final Payout - Geared Call Performance Securities, (ii) Multiple Final Payout - Multi Performance Securities, (iii) Multiple Final Payout – (Capped) Multi Knock-Out Bonus Performance Securities, (iv) Multiple Final Payout – (Capped) Multi Knock-In Bonus Performance Securities, (v) Multiple Final Payout – 2-Step KI Multi Bonus Securities, (vi) Multiple Final Payout – 3- Step Multi Bonus Securities, (vii) Multiple Final Payout -3- Step Flexi Bonus Securities, (viii) Multiple Final Payout – (Capped) Knock-Out Bonus Performance Securities, (ix) Multiple Final Payout – (Capped) Knock – In Bonus Performance Securities, (x) Multiple Final Payout – Leveraged Performance Securities (xi) Multiple Final Payout – Twin -Win Securities, (xii) Multiple Final Payout – Knock-In Outperformance Securities, (xiii) Multiple Final Payout – Flexi Performance Securities, (xiv) Multiple Final Payout – Hyper-Flexi Performance Securities, (xv) Multiple Final Payout – Flexi Knock-In Performance Securities, (xvi) Multiple Final Payout – Flexi Knock-Out Performance Securities, (xvii) Multiple Final Payout – Hyper-Flexi Knock-In Performance Securities, (xviii) Multiple Final Payout – Hyper-Flexi Knock-Out Performance Securities, (ixx) Multiple Final Payout – Hyper-Flexi Multi Knock-In Performance Securities and (xx) Multiple Final Payout – Hyper-Flexi Multi Knock-out Performance Securities, as described in Annex 1 (*Additional Terms and Conditions relating to Formulas*).

Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and whether knock-in, knock-out and/or automatic early settlement features apply. Depending on the applicable formula, if an automatic early settlement event occurs investors may be exposed to a partial loss of their investment.

(ix) Risks associated with Multiple Final Payout – Capped and Floored Ratchet Securities

Multiple Final Payout - Performance Securities are described in Annex 1 (*Additional Terms and Conditions relating to Formulas*).

Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and is calculated based on the sum of returns determined on a given formula (which can be capped and/or floored).

(x) Risks associated with Multiple Final Payout – Weighted Mixed Payouts Securities

Multiple Final Payout – Weighted Mixed Payouts Securities are described in Annex 1 (*Additional Terms and Conditions relating to Formulas*).

Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and is calculated based on the weighted sum of returns determined using different payout formulas.

(xi) Risks associated with Multiple Final Payout – Knock-In Mixed Payouts Securities

Multiple Final Payout – Knock-In Mixed Payouts Securities are described in Annex 1 (*Additional Terms and Conditions relating to Formulas*).

Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s). The return calculation can be based on various payouts and various mechanisms (including a knock-in feature).

(xii) Risks associated with Multiple Final Payout – Knock-out Mixed Payouts Securities

Multiple Final Payout – Knock-out Mixed Payouts Securities are described in Annex 1 (*Additional Terms and Conditions relating to Formulas*).

Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s). The return calculation can be based on various payouts and various mechanisms (including a knock-out feature).

(xiii) Risks associated with Multiple Final Payout – Max Mixed Payouts Securities

Multiple Final Payout – Max Mixed Payouts Securities are described in Annex 1 (*Additional Terms and Conditions relating to Formulas*).

Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and is calculated based on the maximum return determined using different payout formulas.

(xiv) Risks associated with Multiple Final Payout – Leveraged Securities

Multiple Final Payout – Leveraged Securities are described in Annex 1 (*Additional Terms and Conditions relating to Formulas*).

Investors may be exposed to a partial or total loss of their investment. The return on the Securities is calculated by reference to a leverage on the positive or negative performance of the Underlying Reference(s).

Risks Associated with Single FI Securities

(i) Risks associated with Single FI FX Vanilla Securities

Single FI FX Vanilla Securities are described in Annex 1 (*Additional Terms and Conditions relating to Formulas*).

Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and whether knock-in or knock-out features apply.

(ii) Risks associated with Single FI Digital Securities

Single FI Digital Securities include: (i) Single FI Digital Floor Securities, (ii) Single FI Digital Cap Securities, (iii) Single FI Digital Plus Securities and (iv) Continuous FX Wedding Cake Securities, as described in Annex 1 (*Additional Terms and Conditions relating to Formulas*).

Investors may be exposed to a partial or total loss of their investment. The return on the Securities is fixed or variable and will be dependent upon the performance of the Underlying Reference(s). The return is calculated by reference to various mechanisms (including floor or cap conditions and knock-in and/or knock-out features).

(iii) Risks associated with Single FI Inflation Securities

Single FI Inflation Securities are described in Annex 1 (*Additional Terms and Conditions relating to Formulas*).

Single FI Inflation Securities are capital protected. The return on the Securities depends on the performance of the Underlying Reference(s).

(C) Product Specific Risk Factors

Certain considerations associated with Index Securities

General

An investment in Index Securities will entail significant risks not associated with an investment in a conventional debt security. On settlement of Index Securities, Securityholders will receive an amount (if any) determined by reference to the value of the underlying index/indices. Such underlying index may be a well known and widely published index or an index which may not be widely published or available.

Factors affecting the performance of Indices may adversely affect the value of the Securities. Indices are comprised of a synthetic portfolio of shares, bonds, currency exchange rates, commodities, property or other assets, and as such, the performance of an Index is dependent upon the performance of components of such index, which may include interest rates, currency developments, political factors, market factors such as the general trends in capital markets or broad based indices and (in the case of shares) company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy. If an Index does not perform as expected, this will materially and adversely affect the value of Index Securities.

Index Linked Remuneration Amount Certificates pay remuneration amount(s) calculated by reference the value of the underlying index/indices.

For the avoidance of doubt, the relevant Issuer and/or its Affiliates may not be able to trade on and hedge its obligations in respect of the index under the Securities notwithstanding the calculation or publication of the level of such index. In the event that any relevant date for valuation is a Disrupted Day for such index, that valuation date shall be the first succeeding day that is not a Disrupted Day and on which the Issuer or relevant affiliate is able to trade on and hedge its obligations in respect of such index, subject to a specified maximum days of disruption, as more fully set out in the Conditions. Where this occurs on (i) the Strike Date for valuation, the Calculation Agent will not be able to determine the initial or strike level for the index or (ii) the final date for valuation, the Calculation Agent will not determine the final level for the index until such time as the disruption is no longer subsisting, or the specified maximum days of disruption has elapsed, whichever is sooner. Investors should be aware that any delay to the determination of the final level of the index may result in a delay in the payment of the Cash Settlement Amount.

Returns on the Securities do not reflect a direct investment in underlying shares or other assets comprising the Index

The return payable on Securities that reference indices may not reflect the return a potential investor would realise if it actually owned the relevant assets comprising the components of the Index or owned a different form of interest in the relevant Index. For example, if the components of the Indices are shares, holders of Securities will not receive any dividends paid or distributions made on those shares and will not participate in the return on those dividends or distributions unless the relevant Index takes such dividends into account for purposes of calculating the relevant level. Similarly, holders of Securities will not have any voting rights in the underlying shares or any other assets which may comprise the components of the relevant Index. Accordingly, holders of Securities that reference Indices as Underlying Reference may receive a lower payment upon settlement of such Securities than such holder of Securities would have received if it had invested in the components of the Index directly or other comparable instruments linked to the Index.

A change in the composition or discontinuance of an Index could adversely affect the market value of the Securities

The sponsor of any Index can add, delete or substitute the components of such Index or make other methodological changes that could change the level of one or more components. The changing of components of any Index may affect the level of such Index as a newly added component may perform significantly worse or better than the component it replaces, which in turn may affect the payments made by the relevant Issuer to the holders of the Index Securities. The sponsor of any such Index may also alter, discontinue or suspend calculation or dissemination of such Index. The sponsor of an Index will have no involvement in the offer and sale of the Index Securities and will have no obligation to any holder of such Securities. Accordingly, the sponsor of an Index may take any actions in respect of such Index without regard to the interests of the holder of the Securities, and any of these actions could adversely affect the market value of the Index Securities.

Certain considerations associated with Share Securities

General

An investment in Share Securities will entail significant risks not associated with an investment in a conventional debt security. On settlement of Share Securities, Securityholders will receive an amount (if any) determined by reference to the value of the share(s), GDRs and/or ADRs and/or the physical delivery of a given number of share(s), GDRs and/or ADRs. Accordingly, an investment in Share Securities may bear similar market risks to a direct equity investment and investors should take advice accordingly. Share Linked Remuneration Amount Certificates pay remuneration amount(s) calculated by reference to the value of the underlying share(s), GDRs and/or ADRs.

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

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

The performance of Shares is dependent upon macroeconomic factors, such as interest and price levels on the capital markets, currency developments, political factors and company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy. These factors are not within the relevant Issuer's control and may result in a decline in the value of the Securities.

Lack of rights in respect of Shares

Share Securities do not represent a claim against or an investment in any issuer of the relevant share(s) and investors will not have any right of recourse under the Share Securities to any such company or the shares. Share Securities are not in any way sponsored, endorsed or promoted by any issuer of the relevant share(s) and such companies have no obligation to take into account the consequences of their actions for any holders. Accordingly, the issuer of a share may take any actions in respect of such share without regard to the interests of the investors in the Share Securities, and any of these actions could adversely affect the market value of the Share Securities.

Physical delivery of Shares

Where the Securities linked to Shares include the are Physical Delivery, the Issuer will settle such Share Securities at their maturity by delivering Shares to the investor and the investors will receive such Shares rather than a monetary amount upon maturity. Securityholders will, therefore, be exposed to the issuer of such Shares and the risks associated with such Shares. The investor should not assume that he or she will be able to sell such

Shares for a specific price after the settlement of the Securities, and in particular not for the subscription or purchase price of the Share Securities. Under certain circumstances the Shares may only have a very low value or may, in fact, be worthless. Securityholders may also be subject to certain documentary or stamp taxes in relation to the delivery and/or disposal of such Shares.

Certain considerations associated with ETI Securities

An investment in ETI Securities will entail significant risks not associated with an investment in a conventional debt security. On settlement of ETI Securities, Securityholders 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 Securities may bear similar market risks to a direct exchange traded instrument investment, and investors should take advice accordingly. ETI Linked Remuneration Amount Certificates pay remuneration amount(s) calculated by reference to the value of the interests in exchange traded instruments or the basket of interests in exchange traded instruments.

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 Securities are similar to the provisions related to funds and Fund Securities.

In the case of ETI Securities, no 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 applicable) or any Dealer 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 Securities do not provide Securityholders 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 Securities to any ownership interest or rights in such ETI(s).

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

Certain considerations associated with Debt Securities

An investment in Debt Securities will entail significant risks not associated with an investment in a conventional debt security. On settlement of Debt Securities, Securityholders will receive an amount (if any) determined by reference to the price or yield of the underlying debt instrument(s) (as specified in the applicable Final Terms) and/or the physical delivery of a given number of debt instrument(s). Accordingly, an investment in Debt

Securities may bear similar market risks to a direct debt instrument investment, and investors should take advice accordingly. Debt Linked Remuneration Amount Certificates pay remuneration amount(s) calculated by reference to the price or yield of the underlying debt instrument(s) (as specified in the applicable Final Terms).

Certain considerations associated with Commodity Securities

General

An investment in Commodity Securities will entail significant risks not associated with an investment in a conventional debt security. On settlement of Commodity Securities, Securityholders will receive an amount (if any) determined by reference to the value of the commodity, commodity index, commodities and/or commodity indices. Accordingly, an investment in Commodity Securities may bear similar market risks to a direct commodity investment, and investors should take advice accordingly. Commodity Linked Remuneration Amount Certificates pay remuneration amount(s) calculated by reference to the value of the underlying commodity, commodity index, commodities and/or commodity indices.

Where the Securities are linked to a commodity index, such commodity index may be a well known and widely available commodity index (such as the S&P GSCI®) or a commodity index which may be less well known in which case information (including past performance) may be less readily available. The commodity index may be comprised of futures contracts, mono-indices, or other commodity indices. 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 a 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. Such an occurrence may potentially result in a delay in the publication of the commodity index and the level of the commodity index may be affected.

The relevant Issuer and/or its Affiliates may not be able to hedge its obligations in respect of the commodity index under the Securities notwithstanding the calculation and publication of the level of the commodity index. In the event that a Market Disruption Event is occurring on any relevant date for valuation, that valuation date will be postponed until the first succeeding day that is not a Commodity Disrupted Day, subject to a specified maximum days of disruption, as more fully set out in the Conditions. Where this occurs on (i) the Initial Pricing Date or Strike Date for valuation, the Calculation Agent will be unable to determine the initial or strike level for the commodity index and (ii) on the final date for valuation, the Calculation Agent will be unable to determine the final level for the commodity index, until either the Market Disruption Event has ceased or the specified maximum days of disruption have elapsed, whichever is sooner. Investors should be aware that any delay to the determination of the final level of the commodity index may result in a delay in the payment of the Cash Settlement Amount.

Factors affecting the performance of Commodities may adversely affect the value of the relevant Commodity Securities; Commodity prices may be more volatile than other asset classes

The prices of commodities may be volatile and may fluctuate substantially if, for example, natural disasters or catastrophes, such as hurricanes, fires, or earthquakes, affect the supply or production of such commodities. Commodity prices also fluctuate due to general macro-economic forces and general market movements. The price of commodities may also fluctuate substantially if conflict or war affects the supply or production of such commodities. If any amount payable in respect of a Security is linked to the price of a commodity, any change in the price of such commodity may result in the reduction of the amount of such payment in respect of a Security. The reduction in the amount payable on the settlement of the Security may result, in some cases, in a Securityholder receiving a smaller sum on settlement of the Security than the amount originally invested in such Commodity Security.

Commodities may reference physical commodities or commodity contracts, and certain commodity contracts may be traded on unregulated or ''under-regulated'' exchanges

Commodities comprise both (i) "physical" commodities, which need to be stored and transported, and which are generally traded at a "spot" price, and (ii) commodity contracts, which are agreements either to (a) buy or sell a set amount of an underlying physical commodity at a predetermined price and delivery period (which may be referred to as a delivery month), or to (b) make and receive a cash payment based on changes in the price of the underlying physical commodity.

Commodity contracts may be traded on regulated specialised futures exchanges (such as futures contracts). Commodity contracts may also be traded directly between market participants "over-the- counter" on trading facilities that are subject to lesser degrees of regulation or, in some cases, no substantive regulation. Accordingly, trading in such "over-the-counter" contracts may not be subject to the same provisions as, and the protections afforded to, contracts traded on regulated specialised futures exchanges, and there may therefore be additional risks related to the liquidity and price histories of the relevant contracts and any Securities which reference any such commodity contracts may have reduced liquidity or greater price volatility or be subject to more extensive market disruptions.

In the case of a direct investment in commodity futures contracts, the invested capital may be applied in whole or in part by way of collateral in respect of the future claims of the respective counterparties under the commodity futures contracts. Such capital will generally bear interest, and the interest yield will increase the return of the investor making such direct investment. However, Holders of Securities linked to the price of commodity futures contracts do not participate in such interest yields from the hypothetical fully collateralised investment in commodity futures contracts.

Certain Additional Considerations Associated with Commodity Securities valued by reference to Futures Contracts or Debt Securities, Index Securities or Currency Securities where Futures Price Valuation is specified as applicable

Financial futures contracts are standardised futures transactions that are linked to financial instruments (e.g. stocks, bonds, indices, interest rates and foreign currencies). Commodity futures contracts are standardised

futures transactions that are linked to commodities (e.g. mineral commodities, agricultural products and precious metals). A futures transaction constitutes the contractual obligation to buy or sell a certain amount or number of the respective underlying at a fixed price and at a predetermined future point in time. Futures contracts are traded on futures exchanges and standardised for this purpose with respect to their contract size, the nature and quality of the underlying as well as delivery places and dates, if any. Generally, there is a strong correlation between the price development of an underlying financial instrument or commodity (each or "**underlying**") on the spot market and the corresponding futures exchange. However, the price of a futures contract will generally be traded at a premium on, or discount from, the spot price of the underlying. This discrepancy is due to such factors as (i) the need to adjust the spot price due to related expenses (e.g. in the case of commodities, warehousing, transport and insurance costs) and (ii) different methods being used to evaluate general factors affecting the spot and the futures markets. In addition, and depending on the underlying, there can be significant differences in the liquidity of the spot and the futures markets.

Investment in futures contracts involves certain other risks, including potential illiquidity. A holder of a futures position may find that such position becomes illiquid because certain exchanges limit fluctuations in such futures contract prices pursuant to "daily limits". Once the price of a particular futures contract has increased or decreased by an amount equal to the daily limit, contracts can neither be bought nor sold unless holders are willing to trade at or within the limit. This could prevent a holder from promptly liquidating unfavourable positions and subject it to substantial losses. For example, futures contract prices in various underlyings occasionally exceed the daily limit for several days with little or no trading. Such losses could have an adverse effect on the return of Securities linked to the affected futures contracts. Any illiquidity disruption or force majeure event (such as an act of God, fire, flood, severe weather conditions, act of governmental authority or a labour dispute or shortage) is likely to have an adverse effect on the value of or trading in the underlying or futures contracts on such underlying and adversely affect the value of the Securities. In addition, and depending on the commodity, there can be significant differences in the liquidity of the spot and the futures markets. Accordingly, Commodity Securities which are linked to commodity futures contracts may provide a different return from Commodity Securities linked to the relevant physical commodity.

Where the Securities are linked to the exchange price of a futures contract, knowledge of the market of the underlying to which the futures contract is linked as well as of the functioning and evaluation factors of futures contracts is necessary to make a valid assessment of the risks associated with the purchase of these Securities.

In the case of Debt Securities, Index Securities or Currency Securities where Futures Price Valuation is applicable, the Securities are exposed to a futures or options contract relating to a synthetic debt instrument (in the case of Debt Securities), an index (in the case of Index Securities) or a rate of exchange (in the case of Currency Securities) and bear similar market risks to a direct investment in such futures or options contract.

Certain additional considerations associated with Rolling Futures Contract Securities

Futures contracts have a predetermined expiration date. Holding a futures contract until expiration will result in delivery of the physical underlying or the requirement to make or receive a cash settlement amount. Rolling Futures Contract Securities are valued by reference to futures contracts that have a delivery or expiry month that do not correspond with the term of the Securities. Consequently the futures contracts are "rolled" which means

that the futures contract that is nearing expiration (the "**near-dated futures contracts**") is sold before it expires and a futures contract that has an expiration date further in the future (the "**longer-dated futures contracts**") is purchased ("**Rolling**"). In order to maintain an ongoing exposure to such underlyings Rolling of the applicable futures contracts is applied.

An investment in futures contracts where the future is a commodity may increase or decrease through Rolling. Where the price of a near-dated futures contract is greater than the price of the longer-dated futures contract (the underlying is said to be in "**backwardation**"), then Rolling from the former to the latter will result in greater exposure to the longer-dated futures contract. Therefore, any loss or gain on the new positions will be greater than if an investor had synthetically held the same number of underlying contracts as before the Rolling. Conversely, where the price of the near-dated futures contract is lower than the price of the longer-dated futures contract (the underlying is said to be in "**contango**") then Rolling will result in less exposure to the longer-dated futures contract. Therefore, any gain or loss on the new positions will be less than if an investor had synthetically held the same number of underlying contracts as before the Rolling.

Depending on whether the Securities are synthetically "long" or "short" the relevant futures contract, where a futures contract is in contango, this is expected to (though may not) have a negative (in the case of a "long" position) or positive (in the case of a "short" position) effect over time on the value of the Securities. Where a futures contract is in backwardation this is expected to (though may not) have a positive (in the case of a "long" position) or negative (in the case of a "short" position) effect over time on the value of the Securities. Where an underlying contract is in contango, then the price of the longer-dated underlying contract will be expected to (but may not) decrease over time as it nears expiry. In such event, Rolling is expected to have a negative effect (in the case of a "long" position) or positive (in the case of a "short" position) on an investment in the underlying contract. Where an underlying contract is in backwardation, then the price of the longer-dated underlying contract is expected to (but may not) increase over time as it nears expiry. In such event, Rolling is expected to have a positive (in the case of a "long" position) or negative (in the case of a "short" position) effect on an investment in the underlying contract.

If, on any Futures Rollover Date (as defined below), a Market Disruption Event (as defined in Commodity Security Condition 2), a Commodity Index Adjustment Event (as defined in Commodity Security Condition 4) or a Non-Commencement or Discontinuance of an Exchange-traded Contract (as defined in Index Security Condition 5.1, Debt Security Condition 6 or Currency Security Condition 5), as applicable, occurs and it is impossible or materially impracticable for the Calculation Agent to select a futures contract and/or at such time hedge the relevant Issuer's obligations in respect of the Securities then:

(i) in the case of an Index Security, Debt Security or Currency Security that is a Rolling Futures Contract Security:

(a) unless Delayed Settlement on Occurrence of Non-Commencement or Discontinuance of an Exchange-traded Contract or (in the case of Index Securities), Highest Value, Market Value or Monetisation Option, is specified as being applicable in the applicable Final Terms, the relevant Issuer may settle the Securities by giving notice to Securityholders in accordance with Security Condition 8 (*Notices)*. If the Securities are

so settled the relevant Issuer will pay an amount to each Securityholder in respect of each Security, being settled at an amount equal to the fair market value of such Security, taking into account the Non-Commencement or Discontinuance of an Exchange-traded Contract, less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the relevant Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner. Payments will be made in such manner as shall be notified to the Securityholders in accordance with Security Condition 8 (*Notices)*; or

(b) if Delayed Settlement on Occurrence of a Non-Commencement or Discontinuance of an Exchange-traded Contract is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Non-Commencement or Discontinuance of an Exchange-traded Contract less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the relevant Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements and on the Settlement Date shall settle each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Contract Adjustment Amount plus interest accrued from and including the Calculated Contract Adjustment Amount Determination Date to but excluding the Settlement Date at a rate equal to the Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Protected Amount (as specified in the applicable Final Terms); or

(c) in the case of Index Securities, if Highest Value is specified as being applicable in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices)*, settle all but not some only of the Securities and pay to each Securityholder an amount in respect of each Security held by such Securityholder calculated as the greater of the fair market value of such Security (notwithstanding any illegality (if applicable) and taking into account any Non-Commencement or Discontinuance of an Exchange-traded Contract) and the Protected Amount specified in the applicable Final Terms, provided that, (x) no costs shall be deducted from such amount and (y) such amount shall include the reimbursement by the Issuer, *pro rata* (calculated from the early settlement date notified to the Securityholders until the scheduled Settlement Date of the Securities of any costs (including but not limited to any structuring costs) paid by Securityholders to the Issuer in the Issue Price of the Securities, such amount to be paid to the Securityholders on the date notified to the Securityholders in the notice of early settlement;

(d) in the case of Index Securities, if Market Value is specified as being applicable in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Condition 10, settle all but not some only of the Securities and pay to each Securityholder an amount in respect of each Security held by such Securityholder calculated as the fair market value of a Security (notwithstanding the illegality (if applicable) and taking into account any Non-Commencement or Discontinuance of an Exchange-traded Contract) calculated (x) without taking account of any costs and no costs shall be deducted from such amount, and (y) including the reimbursement by the Issuer, *pro rata* (calculated from the early settlement date notified to the Securityholders until the scheduled Settlement Date of the Securities), of any costs (including but not limited to any structuring costs) paid by Securityholders to the Issuer in the Issue Price of the Securities, such an amount to be paid to the Securityholders on the date notified in the notice of early settlement;

(e) in the case of Index Securities, if Monetisation Option is specified as being applicable in the applicable Final Terms the Issuer will on giving notice to Securityholders in accordance with Condition 10, settle all but not some only of the Securities and pay to each Securityholder an amount in respect of each Security held by such Securityholder calculated as:

(i) the Monetisation Amount (as defined below) (including the reimbursement by the Issuer, *pro rata* (calculated from the early settlement date notified to the Securityholders until the scheduled Settlement Date of the Securities), of any costs (including but not limited to any structuring costs) paid by Securityholders to the Issuer in the Issue Price of the Securities), such amount to be paid by the Issuer (notwithstanding the notice of early settlement) on the Settlement Date; or

(ii) if the Securityholder duly elects to receive the fair market value, as provided below, the fair market value of such Security, such amount to be paid by the Issuer on the date fixed for early settlement, as notified to the Securityholders.

Where:

"**Monetisation Amount**" means, in respect of a Security, an amount equal to the greater of the Protected Amount specified in the applicable Final Terms and the amount calculated by the Calculation Agent as follows:

$$(S + D) \times (1 + r)^n$$

"**S**" is the present value of the Protected Amount of such Security on the date on which the event triggering early settlement occurs;

"**D**" is the market value of the Derivative Component on the date on which the event triggering early settlement occurs;

"**r**" is a hypothetical annual interest rate that would be applied on an equivalent hypothetical debt instrument issued by the Issuer (or the Guarantor, as applicable) with the same time to redemption as the remaining time to settlement on the Securities from the date fixed for early settlement until the scheduled settlement date of the Securities;

"**n**" is the time remaining until the scheduled settlement date of the Securities, expressed as a number of years; and

"**Derivative Component**" means the option component or embedded derivative in respect of the Security or the interest amount due under the Security in order to enable the Issuer to issue the Security at the issue price and on their applicable terms. The value of the Derivative Component will be determined by the Calculation Agent, taking into account a number of factors, including, but not limited to:

(A) market prices or values for the underlying reference asset(s) or basis (bases) and other relevant economic variables (such as interest rates; dividend rates; financing costs; the value, price or level of any relevant underlying reference asset(s) or basis (bases) and any futures or options relating to any of them; the volatility of any relevant underlying reference asset(s) or basis (bases); and exchange rates (if applicable));

(B) the time remaining until the scheduled settlement date of the Securities;

(C) internal pricing models; and

(D) prices at which other market participants might bid for the Derivative Component.

(ii) in the case of a Commodity Security that is a Rolling Futures Contract Security, the relevant Issuer may take such actions as described in Commodity Security Condition 3 (*Consequences of a Market Disruption Event and Disruption Fallbacks*) and Commodity Security Condition 4 (*Adjustments to a Commodity Index*), as applicable (see "*Market Disruption Events relating to Commodity Securities*" and "*Adjustment Events relating to Commodity Index Securities*" below).

Rollover ("**Rollover**") will be effected on the relevant day specified in the applicable Final Terms or the date selected by the Calculation Agent acting in good faith and in a commercially reasonable manner within the Futures Rollover Period specified in the applicable Final Terms (the "**Futures Rollover Date**") within a certain time frame shortly before the expiration date of the current futures contract. Consequently on any Futures Rollover Date, the relevant Issuer will liquidate its positions assumed through the corresponding hedging arrangements in relation to the existing futures contract whose expiration is imminent and will assume

corresponding positions in relation to a new futures contract having identical terms but with a different maturity selected by it acting in good faith and in a commercially reasonable manner.

At each Rollover there may be expenses incurred in replacing the futures contract which may have an adverse effect on the return on the Securities.

Prospective investors should be aware that in respect of Rolling Futures Contract Securities, the price difference between the futures involved in each Rollover may have a negative effect on the value of the securities and in the long term be higher than the positive performance of the underlying and result in a total loss of the investment in the Securities. Rolling Futures Contract Securities may not be suitable for investors who intend to invest medium to long term.

Certain Considerations Associated with Inflation Index Securities

An investment in Inflation Index Securities will entail significant risks not associated with an investment in a conventional debt security. On settlement of Inflation Index Securities, Securityholders will receive an amount (if any) determined by reference to the value of the underlying inflation index/indices. Inflation Index Linked Remuneration Amount Certificates pay remuneration amount(s) calculated by reference to the value of the underlying inflation index/indices.

Certain considerations associated with Currency Securities

An investment in Currency Securities will entail significant risks not associated with an investment in a conventional debt security. On settlement of Currency Securities, Securityholders will receive an amount (if any) determined by reference to the value of the currency/currencies and/or the physical delivery of a given amount of a currency or currencies. Accordingly, an investment in Currency Securities may bear similar market risks to a direct currency investment, and investors should take advice accordingly. Currency Linked Remuneration Amount Certificates pay remuneration amount(s) calculated by reference to the value of the underlying currency/currencies.

Fluctuations in exchange rates of the relevant currency (or basket of currencies) will affect the value of Currency Securities. The performance of foreign exchange rates is dependent upon the supply and demand for currencies in the international foreign exchange markets, which are subject to international and domestic political factors, economic factors (including inflation rates in the countries concerned, interest rate differences between the respective countries), economic forecasts, currency convertibility and safety of making financial investments in the currency concerned, speculation and measures taken by governments and central banks. Measures taken by governments and central banks include, without limitation, imposition of regulatory controls or taxes, issuance of a new currency to replace an existing currency, alteration of the exchange rate or exchange characteristics by devaluation or revaluation of a currency or imposition of exchange controls with respect to the exchange or transfer of a Settlement Currency that would affect exchange rates and the availability of a Settlement Currency which would affect return on the Currency Security or ability of the relevant Issuer to make delivery in the Settlement Currency.

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

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

Currency Securities linked to emerging market currencies may experience greater volatility and less certainty as to the future levels of such emerging market currencies or their rate of exchange as against other currencies. See also "*Certain Considerations Associated with Securities Linked to Emerging Markets*".

Certain considerations associated with Currency Securities

An investment in Currency Securities will entail significant risks not associated with an investment in a conventional debt security. On settlement of Currency Securities, Securityholders will receive an amount (if any) determined by reference to the value of the currency/currencies and/or the physical delivery of a given amount of a currency or currencies. Accordingly, an investment in Currency Securities may bear similar market risks to a direct currency investment, and investors should take advice accordingly. Currency Linked Remuneration Amount Certificates pay remuneration amount(s) calculated by reference to the value of the underlying currency/currencies.

Fluctuations in exchange rates of the relevant currency (or basket of currencies) will affect the value of Currency Securities. The performance of foreign exchange rates is dependent upon the supply and demand for currencies in the international foreign exchange markets, which are subject to international and domestic political factors, economic factors (including inflation rates in the countries concerned, interest rate differences between the respective countries), economic forecasts, currency convertibility and safety of making financial investments in the currency concerned, speculation and measures taken by governments and central banks. Measures taken by governments and central banks include, without limitation, imposition of regulatory controls or taxes, issuance of a new currency to replace an existing currency, alteration of the exchange rate or exchange characteristics by devaluation or revaluation of a currency or imposition of exchange controls with respect to the exchange or transfer of a Settlement Currency that would affect exchange rates and the availability of a Settlement Currency which would affect return on the Currency Security or ability of the relevant Issuer to make delivery in the Settlement Currency.

Furthermore, investors who intend to convert gains or losses from the exercise, settlement or sale of Currency Securities into their home currency may be affected by fluctuations in exchange rates between their home currency and the relevant currency (or basket of currencies). Currency values may be affected by complex

political and economic factors, including governmental action to fix or support the value of a currency (or basket of currencies), regardless of other market forces. Investors in Currency Securities risk losing their entire investment if exchange rates of the relevant currency (or basket of currencies) do not move in the anticipated direction.

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

Currency Securities linked to emerging market currencies may experience greater volatility and less certainty as to the future levels of such emerging market currencies or their rate of exchange as against other currencies. See also "*Certain Considerations Associated with Securities Linked to Emerging Markets*".

Certain considerations associated with Dual Currency Certificates

An investment in Certificates in relation to which Dual Currency Certificates is specified as being applicable in the Final Terms (such Ceritificates being "**Dual Currency Certificates**") will entail significant risks not associated with an investment in a conventional debt security. Fluctuations in exchange rates will affect the value of Dual Currency Certificates. Currency values related to the exchange rates may be affected by complex political and economic factors, including governmental action to fix or support the value of an exchange rate, regardless of other market forces. Investors in Dual Currency Certificates risk losing their entire investment if the relevant exchange rates do not move in the anticipated direction.

Certain considerations associated with Fund Securities

An investment in Fund Securities will entail significant risks not associated with an investment in a conventional debt security. On settlement of Fund Securities, Securityholders will receive an amount (if any) determined by reference to the value of the fund shares and/or the physical delivery of a given number of fund shares or units. Accordingly, an investment in Fund Securities may bear similar market risks to a direct fund investment, and investors should take advice accordingly. Fund Linked Remuneration Amount Certificates pay remuneration amount(s) calculated by reference to the value of the underlying fund shares or units. The price of units or shares in a fund may be affected by the performance of the fund service providers, and in particular the investment adviser.

No Fund Service Provider will have participated in the preparation of the relevant Final Terms or in establishing the terms of the Fund Securities, and none of the Issuer, the Guarantor (if applicable) or any Dealer will make any investigation or enquiry in connection with such offering with respect to any information concerning any such issuer of fund shares or units 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 fund shares or units will have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning such an issuer of fund shares or units could affect the trading price of

the fund shares or units and therefore the trading price of the Securities. Fund Securities do not provide Securityholders with any participation rights in the underlying Fund(s) and except in certain circumstances in the case of Physical Delivery Securities, do not entitle holders of Fund Securities to any ownership interest or rights in such Fund(s).

Except as provided in the Conditions, Securityholders will not have voting rights or rights to receive dividends or distributions or any other rights with respect to the relevant fund shares or units to which such Securities relate.

Certain considerations associated with Futures Securities

An investment in Futures Securities will entail significant risks not associated with an investment in a conventional debt security. On settlement of Futures Securities, Securityholders will receive an amount (if any) determined by reference to the value of the futures contract or basket of futures contracts. Accordingly, an investment in Futures Securities may bear similar market risks to a direct futures contract investment, and investors should take advice accordingly. Futures Linked Remuneration Amount Certificates pay remuneration amount(s) calculated by reference to the value of the underlying futures contract or basket of futures contracts.

Additional risk factors for Credit Securities

General

The Issuers may issue Certificates ("**Credit Securities**") where the amount payable is 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. Credit Securities are Certificates in respect of which the relevant Issuer has effectively bought protection on one or more Reference Entities from the Securityholders and payments on such Certificates and/or Certificate such Issuer's obligation is to deliver certain specified assets, will depend on the occurrence of a Credit Event with respect to such Reference Entities.

The price of such Certificates may be volatile and will be affected by, amongst other things, the time remaining to the settlement date and the creditworthiness of the Reference Entities, which in turn may be affected by the economic, financial and political events in one or more jurisdictions. In purchasing Credit Securities, investors assume credit exposure to both the specified Reference Entity or Reference Entities and the Issuer (and the Guarantor, if applicable) of the Credit Securities. The credit risk to investors may further be increased if the specified Reference Entity or Reference Entities are concentrated in the same industry sector or geographic area as the Issuer (or the Guarantor, if applicable).

Where the Certificates provide for physical delivery, the relevant Issuer may determine that the specified assets to be delivered are either (a) assets which for any reason (including, without limitation, failure of the relevant clearance system or due to any law, regulation, court order or market conditions or the non-receipt of any requisite consents with respect to the delivery of assets which are loans) it is impossible or illegal to deliver on the specified settlement date or (b) assets which the relevant Issuer and/or any Affiliate has not received under the terms of any transaction entered into by the relevant Issuer and/or such Affiliate to hedge such Issuer's obligations in respect of the Certificates. Any such determination may delay settlement in respect of the Certificates and/or cause the obligation to deliver such specified assets to be replaced by an obligation to pay a cash amount which,

in either case, may affect the value of the Certificates and, in the case of payment of a cash amount, will affect the timing of the valuation of such Certificates and, as a result, the amount payable on settlement. Prospective investors should review the Conditions and the applicable Final Terms to ascertain whether and how such provisions should apply to the Certificates.

The relevant Issuer's obligations in respect of Credit Securities are irrespective of the existence or amount of the relevant Issuer's and/or any Affiliates' credit exposure to a Reference Entity, and the relevant Issuer and/or any Affiliate need not suffer any loss nor provide evidence of any loss as a result of the occurrence of a Credit Event.

A Credit Event may occur prior to the Trade Date

Securityholders of Credit Securities may suffer a loss of some or all of the settlement amount of the Certificates in respect of one or more Credit Events that occur prior to the Trade Date or the Issue Date, if the Credit Event Backstop Date is specified as a date falling prior to such date. Accordingly, the Securityholder of Credit Securities will be exposed to the risk of the occurrence of any Credit Event after the applicable Credit Event Backstop Date even if it occurs prior to the Issue Date, which may be several weeks after the Trade Date. If the Reference Entity suffers a Credit Event prior to the Issue Date (or if the Credit Event Backstop Date is specified as a date falling on or after the Issue Date, on or after such date), and a Credit Event Notice, and a Notice of Publicly Available Information (if applicable) are properly delivered, which may occur on or shortly after the Issue Date of the Certificates, such Certificates will be subject to exercise, at or shortly after the Issue Date. No remuneration will be paid on such Certificates. Neither the Calculation Agent or the relevant Issuer nor any of their respective Affiliates has any responsibility to inform any Securityholder, or avoid or mitigate the effects of a Credit Event that has taken place prior to the Trade Date or the Issue Date.

Increased credit risks associated with First-to-Default and Nth-to-Default Credit Securities

Where the Certificates are First-to-Default Credit Securities, the Certificates will be subject to settlement in full as described above upon the occurrence of the first Credit Event in relation to any of the Reference Entities. The credit risk to Securityholders 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.

Where the Certificates are Nth-to-Default Credit Securities, the Certificates will be subject to settlement in full as described above upon the occurrence of a Credit Event in relation to the nth Reference Entity. The credit risk to Securityholders 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.

Additional credit risks associated with Basket Credit Securities

Where the Certificates are Basket Credit Securities and a Distribution End Date is specified in the Final Terms, the Final Terms shall specify whether "Distribution Period Settlement", "Settlement at Maturity" or "Distribution Period Event Determination Date Disapplication" applies. If "Distribution Period Settlement" applies and an Event Determination Date occurs on or prior to the Distribution End Date, Securityholders of such Credit Securities will suffer a loss of remuneration and the Certificates will be settled, in part, early.

Securityholders increased risks associated with Tranched Credit Securities

Tranched Credit Securities create leveraged exposure to the credit risk of the Reference Entities as the implicit portfolio size or size of the aggregate notional amount of the Reference Portfolio is significantly larger than the aggregate notional amount of the Credit Securities. Investors can lose a significant part or all of their investment even if a Credit Event occurs in respect of only one or a few of the Reference Entities comprising the Reference Portfolio. The value of the Tranched Credit Securities may be more volatile and credit losses in respect of the Tranched Credit Securities may be greater than would be the case in the absence of such leverage. The value of the Tranched Credit Securities may also be adversely affected by changes in the relative value of different tranches of credit risk on the Reference Portfolio. Such relative value changes may occur as a result of, for example, changes in assumptions by market participants to model the credit risk of the Reference Portfolio, correlation between the Reference Entities, as well as changes in the supply of and demand for credit protection in relation to each such tranche are exposed to risk on Reference Entities.

The holders of Credit Securities will be exposed to the credit risk of one or more Reference Entities, which exposure shall be to the full extent of their investment in such Credit Securities. Upon the occurrence of any of the default events comprising a Credit Event with respect to any Reference Entity, the Securityholders may suffer significant losses at a time when losses may be suffered by a direct investor in obligations of such Reference Entity. However, the holding of a Credit Security is unlikely to lead to outcomes which exactly reflect the impact of investing in an obligation of a Reference Entity, and losses could be considerably greater than would be suffered by a direct investor in the obligations of a Reference Entity and/or could arise for reasons unrelated to such Reference Entity. Securityholders should also note that a Credit Event may occur even if the obligations of a Reference Entity are unenforceable or their performance is prohibited by any applicable law or exchange controls.

Where Cash Settlement or Auction Settlement applies, the occurrence of a Credit Event in relation to any Reference Entity from time to time may result in a settlement of the Certificates in a reduced settlement amount or at zero, and, (if applicable) in a reduction of the amount on which remuneration is calculated. Where Physical Settlement applies, the occurrence of a Credit Event may result in the settlement of the Certificates based on the valuation (or by delivery) of certain direct or indirect obligations of the affected Reference Entity, which obligations are likely to have a market value which is substantially less than their par amount.

Issuer and Calculation Agent will act in their own interests

Each of the Issuer and the Calculation Agent will exercise its rights under the terms of the Credit Securities, including in particular the right to designate a Credit Event and the right to select obligations of the affected Reference Entity for valuation or in respect of the Certificates, delivery, in its own interests and those of its Affiliates, and not in the interests of investors in the Certificates. The exercise of such rights in such manner, for example by the selection of the eligible obligations of the Reference Entity having the lowest possible market value for valuation, may result in an increased credit loss for holders of the Credit Securities. The exercise of such discretion by the Issuer or Calculation Agent could adversely affect (i) the value of the amount in cash, if any, which will be paid in respect of any Certificates on the applicable settlement date, if any, or (ii) the market value of the portfolio of obligations the relevant Issuer will Deliver.

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 Securityholders. In performing its duties pursuant to the Certificates and making any determinations expressed to be made by it, for example, as to substitute Reference Obligations or Successors, the Calculation Agent shall act in its sole and absolute discretion and is under no obligation to act in the interests of the Securityholders, nor will it be liable to account for any profit or other benefit which may accrue to it as a result of such determinations. The Calculation Agent is not bound to follow, or act in accordance with, any determination of the relevant Credit Derivatives Determinations Committee.

Actions of Reference Entities may affect the value of the Credit Securities

Actions of Reference Entities (for example, merger or demerger or the repayment or transfer of indebtedness) may adversely affect the value of the Credit Securities. Securityholders of the Credit Securities should be aware that the Reference Entities to which the value of the Certificates is exposed, and the terms of such exposure, may change over the term of the Certificates.

Suspension of Obligations will suspend payment of principal and interest

In certain circumstances, pending a resolution of a Credit Derivatives Determination Committee, all of the obligations of the relevant Issuer under each Credit Security (including any obligation to deliver any notices, pay any settlement amount) 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 Securityholders

Where the Credit Securities are settled following the occurrence of a Credit Event by reference to an auction sponsored by ISDA, the relevant Issuer 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 relevant Issuer or its Affiliates participate in an Auction, then they will do so without regard to the interests of Securityholders, and such participation may have a material adverse effect on the outcome of the relevant Auction and/or on the Credit Securities. Securityholders will have no right to submit bids and/or offers in an Auction.

The Auction Final Price determined pursuant to an auction may be greater 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 relevant 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. The relevant Issuer will have no 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 an M(M)R Restructuring Credit Event in relation to which ISDA sponsors multiple concurrent auctions, but where there is no relevant auction relating to credit derivative transactions with a maturity corresponding to the Credit Securities, if the Calculation Agent exercises the right of the buyer or, as the case may be, seller of credit risk protection under the Credit 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, thereby reducing the amount payable to Securityholders.

Use of Cash Settlement may adversely affect returns to Securityholders

If the Certificates are cash settled, then, following the occurrence of a Credit Event, the Calculation Agent will be required to seek quotations in respect of selected obligations of the affected Reference Entity. Quotations obtained will be "bid-side" - that is, they will be reduced to take account of a bid-offer spread charged by the relevant dealer. Such quotations may not be available, or the level of such quotations may be substantially reduced or may vary substantially 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 different from 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.

"Cheapest-to-Deliver" risk

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

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

Payments on the Credit 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.

Asset Package Delivery risks

The 2014 Definitions introduced the concept of asset package delivery. In certain circumstances where (a) "Financial Reference Entity Terms" and "Governmental Intervention" applies in respect of a Reference Entity and

(i) there is a Governmental Intervention Credit Event; or (ii) a Restructuring Credit Event in respect of the Reference Obligation where such Restructuring does not constitute a Governmental Intervention or (b) a Restructuring Credit Event in respect of a Sovereign, then a related asset package resulting from a prior deliverable obligation (where "Financial Reference Entity Terms" apply) or package observable bond (where the Reference Entity is a sovereign) may also be deliverable. The asset package would be treated as having the same outstanding principal as the corresponding prior deliverable obligation or package observable bond.

If the resulting asset package is deemed to be zero where there are no resulting assets, the related credit loss will be 100 per cent. notwithstanding the recovery value on any other obligations of the Reference Entity.

The risk factors "*Use of Auction Settlement may adversely affect returns to Securityholders*" and "*Use of Cash Settlement may adversely affect returns to the Securityholders"* above would apply to any asset or asset package.

If an asset in the asset package is a non-transferable instrument or non-financial instrument, the value of such asset will be the market value determined by reference to a specialist valuation or in accordance with methodology determined by the Credit Derivatives Determinations Committees. See "*Conflicts of Interest - Credit Derivatives Determinations Committees*" and "*Risks associated with Credit Derivatives Determinations Committees*" for risk factors relating to valuation in accordance with CDDC methodology.

Increased risks where "Zero Recovery" or a specified Final Price is applicable

Where "Zero Recovery" is applicable, if a Credit Event occurs in respect of a Reference Entity, investors will automatically lose an amount in principal or notional amount of the Credit Security equal to the portion of the Credit Security which is allocated to the credit risk of the affected Reference Entity. Investors should note that, in such circumstances, the Auction Final Price, Weighted Average Final Price or Final Price (which would otherwise apply in the absence of "Zero Recovery") or the recovery on any investments in bonds or other instruments issued by such Reference Entity will be higher (and may be significantly higher) than the zero recovery value ascribed to such Reference Entity under the Certificates. Likewise, if the Final Price is specified in the Final Terms in relation to Credit Securities, such fixed Final Price may be lower (and may be significantly lower) than the recovery which an investor in bonds or instruments issued by such Reference Entity would receive. Furthermore, both where "Zero Recovery" or a specified Final Price is applicable, the market value of the Credit Securities may not reflect the market value of a credit default swap on the Reference Entity or any other products linked to or issued by the Reference Entity which may be significantly higher.

The Issuer and Calculation Agent are not obliged to disclose information on Reference Entities

The relevant Issuer and the Calculation Agent are not obliged to disclose to holders of the Certificates any information which they may have at the Issue Date or receive thereafter in relation to any Reference Entity.

The value of the Credit Securities may be adversely affected by Illiquidity or Cessation of Indices

In determining the value of the Credit 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 Certificates may be adversely affected.

Historical performance may not predict future performance

Individual Reference Entities may not perform as indicated by the historical performance of similar entities and no assurance can be given with respect to the future performance of any Reference Entities. Historical default statistics may not capture events that would constitute Credit Events for the purposes of the Credit Securities.

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 securities laws. The Reference Entities may report information in accordance with different disclosure and accounting standards. Consequently, the information available for such Reference Entities may be different from, and in some cases less than, the information available for entities that are subject to the reporting requirements under the United Kingdom securities laws. None of the Issuers or the Calculation Agent or any of their respective Affiliates make any representation as to the accuracy or completeness of any information available with respect to the Reference Entities.

None of the Issuers 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.

Prospective investors should note that in certain circumstances, there may be no requirement for the relevant Issuer to give information which is generally publicly available in relation to the occurrence of a Credit Event. If a Credit Event occurs in respect of an Obligation of a Reference Entity which is not public, Securityholders of the Credit Securities may not be able to verify the occurrence of such Credit Event.

Risks associated with Credit Derivatives Determinations Committees

The institutions of the Credit Derivatives Determinations Committee owe no duty to the Securityholders and have the ability to make determinations that may materially affect the Securityholders, such as the occurrence of a Credit Event or a Succession Event. A Credit Derivatives Determinations Committee may be able to make determinations without action or knowledge of the Securityholders.

Securityholders may 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 Securityholders may 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 Securityholders may have no control over the process for selecting institutions to participate on a Credit Derivatives Determinations Committee and, to the extent provided for in the Certificates, will be subject to the determinations made by such selected institutions in accordance with the Rules.

Securityholders may 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 Securityholders and the Securityholders will be prevented from pursuing claims with respect to actions taken by such institutions under the Rules.

Securityholders 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 obligated to follow previous determinations and, therefore, could reach a conflicting determination on a similar set of facts. If the relevant Issuer 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 Securityholders.

Securityholders 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 relevant Issuer, the Calculation Agent nor any of their respective Affiliates shall be obliged to inform the Securityholders of such information (other than as expressly provided in respect of the Certificates). Failure by the Securityholders to be aware of information relating to deliberations of a Credit Derivatives Determinations Committee will have no effect under the Certificates and Securityholders 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 Credit Derivatives Determinations Committees website, https://dc.isda.org/dc-rules/, 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 Securityholders 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 relevant Issuer may be entitled to select a particular Auction for the purposes of settlement of the Credit Securities. The relevant Issuer will make such election acting in its own interests and not in the interests of the Securityholders.

The Calculation Agent may modify the terms of the Credit 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, modify the terms of the Credit Securities to the extent reasonably necessary to ensure consistency with the prevailing market standard terms or market trading conventions, without the consent of Securityholders or prior notice to Securityholders. The Calculation Agent is not obliged to make any such modifications. If the Calculation Agent modifies the terms of

the Credit Securities, it will do so without regard to the interests of the holders of the Credit Securities and any such modification may be prejudicial to the interests of the holder of the Credit Securities.

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, modify the terms of the Securities to the extent reasonably necessary to ensure consistency with the prevailing market standard terms or market trading conventions, without the consent of Securityholders or prior notice to Securityholders. The Calculation Agent is not obliged to make any such modifications. If the Calculation Agent modifies the terms of the Securities, it will do so without regard to the interests of the holders of the Securities and any such modification may be prejudicial to the interests of the holder of the Securities.

Certain considerations associated with Hybrid Securities

An investment in Hybrid Securities will entail significant risks not associated with an investment in a conventional debt security. On settlement of Hybrid Securities, Securityholders will receive an amount (if any) determined by reference to the value of a number of different Underlying References. Hybrid Linked Remuneration Amount Securities pay remuneration amount(s) calculated by reference to the value of a number of different Underlying References.

Certain considerations associated with Open End Certificates and OET Certificates

Open End Certificates and OET Certificates do not have any pre-determined maturity and may be settled on any date determined by the relevant Issuer, subject to compliance with the provisions of the Conditions. Investment in Open End Certificates and OET Certificates will entail additional risks compared with other Certificates, due to the fact that the settlement date for such OET Certificates cannot be determined by the investor.

(D) Additional factors relating to certain Underlying References

Certain considerations associated with Securities linked to ETIs

ETI Securities linked to one or more interest in exchange traded instruments reflect the performance of such interest in exchange traded instruments.

An exchange traded instrument may invest in and trade in a variety of investments and financial instruments using sophisticated investment techniques for hedging and non-hedging purposes. Such financial instruments and investment techniques may include, but are not limited to, the use of leverage, short sales of securities, derivative transactions, such as swaps, stock options, index options, futures contracts and options on futures, lending of securities to certain financial institutions, entry into repurchase and reverse repurchase agreements for securities and the investment in foreign securities and foreign currencies.

The amount payable on ETI Securities will be dependent on the performance of the relevant ETI(s) underlying the ETI Securities, which may be linked to the reported NAV per ETI Interest, the trading price available on an exchange for the relevant ETI Interest and/or the actual redemption proceeds the Hedge Provider or a hypothetical investor in the relevant ETI(s) would receive. The amount payable on the ETI Securities may be less

and in certain circumstances may be significantly less than the return from a direct investment in the relevant ETI(s) and may be zero.

Unlike Funds, exchange traded instruments are not actively managed. The value of an interest in an exchange traded instrument will decline, more or less, in line with the decline of any securities or the value of any index underlying or linked to the relevant exchange traded instrument. Exchange traded instruments involve risks similar to those of investing in any equity securities traded on an exchange, such as market fluctuations caused by, amongst other things, economic and political developments, changes in interest rates and perceived trends in prices of securities. Where the relevant exchange traded instrument is linked to a particular index, the return on such exchange traded instrument may not match the return of the particular index.

Potential investors in ETI Securities should be aware that none of the relevant Issuer, the Guarantor (if any) or the Calculation Agent have any control over investments made by the relevant exchange traded instrument(s) and in no way guarantee the performance of an exchange traded instrument or the amount payable to holders of ETI Securities.

In hedging the relevant Issuer's obligations under the ETI Securities, the Hedge Provider is not restricted to any particular hedging practice. Accordingly, the Hedge Provider may hedge its exposure using any method it, in its sole discretion, deems appropriate, including, but not limited to, investing in the relevant exchange traded instrument(s), replicating the performance of the relevant exchange traded instrument(s) or holding any of the assets underlying the relevant exchange traded instrument(s). The Hedge Provider may perform any number of different hedging practices with respect to ETI Securities.

Investing directly or indirectly in interests in exchange traded instruments is generally considered to be risky. If the exchange traded instrument does not perform sufficiently well, the value of the Securities will fall, and may in certain circumstances be zero.

Prospective investors should review carefully the prospectus, information memorandum and/or offering circular (if any) issued by any relevant exchange traded instrument before purchasing any ETI Securities. None of the relevant Issuer, the Guarantor (if any), the Calculation Agent or any of their respective Affiliates make any representation as to the creditworthiness of any relevant exchange traded instrument or any such exchange traded instrument's administrative, custodian, investment manager or adviser.

Certain considerations associated with Securities linked to Funds

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

Investors in Fund Securities should understand that:

(i) there are market risks associated with an actual investment in the underlying Fund(s), and while the Fund Securities do not create an actual interest in the underlying Fund(s), the return on the Fund Securities generally involves the same associated risks as an actual investment in the underlying Fund(s). The Issuer has not purported and does not purport to be a source of information concerning the market risks associated with such underlying Fund or Fund interests;

(ii) third parties, not related to the relevant Issuer or the Guarantor, may subscribe for and redeem underlying fund interests. These investments may affect the performance and volatility of such Fund's net asset value and so subsequently affect, from time to time, the return on the Fund Securities;

(iii) the relevant Issuer has no control over the underlying Fund(s) or the performance of such Fund(s) and any performance of the underlying Fund(s) necessary for the Fund Securities to yield a specified return is not assured. Potential investors in the Fund Securities should understand that the performance of the underlying Fund(s) may, depending on the terms of the Fund Securities, strongly affect the value of payments on the Fund Securities;

(iv) the value of units in the underlying Fund(s) and the income from it may fluctuate significantly. The Issuer makes no representation or warranty about, or guarantee of, the performance of an underlying Fund;

(v) the relevant Issuer has not provided and will not provide during the term of the Fund Securities prospective investors with any information or advice with respect to the performance of an underlying Fund. The Issuer may have acquired, or during the term of the Fund Securities may acquire, non-public information with respect to an underlying Fund, which will not be provided to the Securityholders;

(vi) the Funds may follow a wide range of investment strategies, invest in assets in a number of different countries and invest in assets denominated in a number of different currencies. The returns to the Securityholders may, therefore, be materially affected by, among other things, market trends, exchange rate fluctuations and political and economic developments in the relevant countries. This may lead to substantial volatility in the net asset value of the Funds;

(vii) the funds may have investment strategies and guidelines that are very broad. They may also be free to engage in additional or alternative strategies without reference to any other person including the relevant Issuer, the Guarantor and the investor;

(viii) Funds may trade and invest in a broad range of investments and financial instruments using sophisticated investment techniques for hedging and non-hedging purposes such as debt and equity securities, commodities and foreign exchange and may enter into derivative transactions, including, without limitation, futures, swaps and options. Such financial instruments and investment techniques may also include, but are not limited to, the use of leverage, short sales of securities, transactions that involve the lending and borrowing of securities to financial institutions, investment in sub-investment grade or non-readily realizable investments, uncovered options transactions, options and futures transactions and foreign exchange transactions and the use of concentrated portfolios, the entry into repurchase and reverse repurchase agreements for securities and the investment in foreign securities and foreign currencies. While these investment strategies and financial instruments provide the investment manager and/or adviser of a Fund the flexibility to implement a range of strategies in an attempt to generate positive returns for the Fund, they also create the risk of significant losses and, in certain circumstances, may magnify adverse market developments and losses that may adversely affect the value of the Fund and therefore the return on the Fund Securities. Potential investors should be aware that none of the

relevant Issuer, the Guarantor (if any) or the Calculation Agent have any control over investments made by a Fund and therefore in no way guarantee the performance of a Fund and therefore the amount due to Securityholders on redemption of the Fund Securities;

(ix) 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;

(x) the amount payable on Fund Securities will be dependent on the performance of the relevant Fund(s) underlying the Fund Securities, which may be linked to the reported NAV per Fund Share and/or the actual redemption proceeds the Hedge Provider or a hypothetical investor in the relevant Fund(s) would receive. The amount payable on the Fund Securities may be less than the amount payable from a direct investment in the relevant Fund(s);

(xi) in certain circumstances, a Fund may continue reporting a NAV per Fund Share, but the Hedge Provider or a hypothetical investor may not be able to realise their investment in the relevant Fund(s) at such reported NAV per Fund Share. In such a case, the return on the Fund Securities may be less and in certain circumstances may be significantly less than the reported performance of the relevant Fund(s) and may be zero;

(xii) a Fund may be established as part of a master-feeder fund structure. Generally, a master-feeder fund structure involves the incorporation of a "master" fund company into which separate and distinct "feeder" funds invest. Active management of any investment strategy is, generally, performed at the master fund level. In instances where the Fund(s) underlying the relevant Fund Securities are "feeder" funds, the Extraordinary Fund Events (see "*Other Events relating to Fund Securities*" below) extend to include the "master" fund and its service providers. In conducting their own due diligence of the relevant Fund(s), prospective investors should pay particular attention to whether the relevant Fund(s) are established as part of a master-feeder fund structure;

(xiii) In hedging the relevant Issuer's obligations under the Fund Securities, the Hedge Provider is not restricted to any particular hedging practice. Accordingly, the Hedge Provider may hedge its exposure using any method it, in its sole discretion, deems appropriate, including, but not limited to, investing in the relevant Fund(s), replicating the performance of the relevant Fund(s) or holding any of the assets underlying the relevant Fund(s). The Hedge Provider may perform any number of different hedging practices with respect to Fund Securities;

(xiv) the Funds may often rely on a few individuals to determine their investment strategies and to make investment decision. The loss of such individuals could jeopardise the performance of the Funds;

(xv) the funds may be engaged in a high level of trading with commensurately high brokerage and transaction costs, as well as costs associated with leverage, such as interest payments and margin maintenance. Such costs will adversely affect the net asset value of the Funds and so may adversely affect the return on the Fund Securities;

(xvi) the Funds will be exposed to credit risks against brokers and other counterparties with which they deal in implementing their investment strategies;

(xvii) where underlying Funds invest in unlisted shares and certain other assets, risks associated with reduced liquidity and lack of objective valuations will arise. Additionally, the underlying Funds may invest in emerging markets. This involves risks attributable to nationalisations, expropriation or taxation, currency devaluation, foreign exchange control, political, social or diplomatic instability or governmental restrictions. The capital markets in such countries have substantially less volume, and are generally less liquid and more volatile, than those in more developed markets. Disclosure and regulatory requirements could be less stringent than in other markets, with a low level of monitoring and limited and uneven enforcements of existing regulations;

(xviii) an underlying Fund may have no or a limited history, with no proven track record in achieving their stated investment objectives;

(xix) some or all of the underlying Funds may be wholly unregulated investment vehicles and may trade in futures, options, forward exchange contracts and other derivative instruments, which may represent significant investment risks. In addition, underlying funds may acquire leveraged trading positions, including through the use of borrowing, and may engage in short selling. As a result of leverage, relatively small adverse price movements may result in substantial losses; and

(xx) an underlying Fund itself may be subject to fees and charges on its investments which shall be borne by such Fund and incorporated in the value of interests in it.

Risk from composition and changes to a fund

The management company of a Fund can, without regard to the interests of the investors in the Fund Securities, add, delete or substitute any funds by reference to which the value of a fund is calculated or make other methodological changes that could change the investment profile of a fund. The management company may also determine to discontinue a Fund. If a Fund is discontinued, it may be replaced by other assets and/or the Fund Securities may be settled early.

In the event that a Fund is materially modified or permanently cancelled or the management company fails to calculate or announce the NAV per Fund Share, the Calculation Agent will either make such adjustments to any variable, calculation methodology, valuation, settlement, payment terms or any other terms and conditions of the Fund Securities as the Calculation Agent determines appropriate to account for the effect on the Fund Securities of such events, or may settle the Fund Securities early. Any of these decisions or determinations may adversely impact the value of the Fund Securities.

Funds may be subject to transfer restrictions and illiquidity

Funds and the assets thereof may be subject to transfer restrictions arising by way of applicable securities laws or otherwise. Such restrictions may mean that investors are not entitled to acquire interests in the Funds directly. Holders of units or shares (however described) in a Fund may have the right to transfer or withdraw their investment in the Fund only at certain times and upon completion of certain documentary formalities and such

rights may be subject to suspension or alteration. These circumstances may affect the NAV per Fund Share of the relevant Funds. Potential investors should familiarise themselves with the features of the Funds in this regard.

Events which affect the value of a Fund will affect the value of Fund Securities

The occurrence of any of the following events could materially and adversely affect the value of shares or units in a Fund, and have a consequent material and adverse effect on the value of Fund Securities:

- *Valuation*: The valuation of Funds is generally controlled by the management company of the Fund. Valuations are performed in accordance the terms and conditions governing the Fund. Such valuations may be based upon the unaudited financial records of the Fund and any accounts pertaining thereto. Such valuations may be preliminary calculations of the net asset values of the Fund and accounts. The Fund may hold a significant number of investments which are illiquid or otherwise not actively traded and in respect of which reliable net asset values may be difficult to obtain. In consequence, the management company may vary certain quotations for such investments held by the fund in order to reflect its judgement as to the fair value thereof.

  Therefore, valuations may be subject to subsequent adjustment upward or downward. Uncertainties as to the valuation of fund assets and/or accounts may have an adverse effect on the net asset value of the Fund where such judgements regarding valuations prove to be incorrect.

- *Trading charges:* The performance of a Fund will be affected by the charges incurred thereby relating to the investments of such Fund. The Fund may engage in short-term trading which may result in increased turnover and associated higher than normal brokerage commissions and other expenses.

- *Legal and regulatory changes*: Future changes to applicable law or regulation may be adverse to a Fund.

- *Performance risk*: No assurance can be given relating to the present or future performance of a Fund. The performance of a Fund is dependent on the performance of the management company thereof. Certain management companies may utilise analytical models upon which investment decisions are based. No assurance can be given that these persons will succeed in meeting the investment objectives of the Fund, that any analytical model used thereby will prove to be correct or that any assessments of the short-term or long-term prospects, volatility and correlation of the types of investments in which the Funds have invested or will invest will prove accurate.

- *Effect of exchange rates and exchange controls*: The NAV per Fund Share could be adversely affected not only by hedging costs and changes in exchange rates, but also by local exchange control regulations and other limitations, including currency exchange limitations and political and economic developments in the relevant countries.

- *Market risks:* The markets in which a Fund invests may prove to be highly volatile from time to time as a result of, for example, sudden changes in government policies on taxation and currency repatriation or changes in legislation relating to the value of foreign ownership in companies, and this may affect the net

asset value at which a fund may liquidate positions to meet repurchase requests or other funding requirements.

- *Hedging risks*: A Fund may in certain cases employ various hedging techniques to reduce the risk of investment positions. A substantial risk remains, nonetheless, that such techniques will not always be available and when available, will not always be effective in limiting losses. A fund may take substantial unhedged positions.

- *Interest rate risks*: The values of securities held by a Fund (or by any underlying fund) tend to be sensitive to interest rate fluctuations and unexpected fluctuations in interest rates could cause the corresponding NAV per Fund Share to move in directions which were not initially anticipated. To the extent that interest rate assumptions underlie the hedge ratios implemented in hedging a particular position, fluctuations in interest rates could invalidate those underlying assumptions and expose a Fund to losses.

- *Suspension of trading*: A securities exchange typically has the right to suspend or limit trading in any instrument traded on that exchange. A suspension could render it impossible for a Fund to liquidate positions and thereby expose a Fund to losses.

- *Dependence on key individuals*: The success of a Fund is dependent on the expertise of its managers. The loss of one or more individuals could have a material adverse effect on the ability of a fund manager to direct a Fund's portfolio, resulting in losses for a Fund and a decline in the value of a Fund. Indeed, certain fund managers may have only one principal, without whom the relevant fund manager could not continue to operate.

- *Experience of fund managers*: Certain Funds may be managed by investment managers who have managed funds for a relatively short period of time. The previous experience of such investment managers is typically in trading proprietary accounts of financial institutions or managing unhedged accounts of institutional asset managers or other investment firms. As such investment managers do not have direct experience in managing Funds, including experience with financial, legal or regulatory considerations unique to fund management, and there is generally less information available on which to base an opinion of such managers' investment and management expertise, investments with such investment managers may be subject to greater risk and uncertainty than investments with more experienced fund managers.

- *Risk of fraud*: There is a risk that a fund manager could divert or abscond with the assets, fail to follow agreed-upon investment strategies, provide false reports of operations or engage in other misconduct.

- *Performance compensation payable to fund managers*: The performance-based compensation paid to a fund manager is typically calculated on a basis that includes unrealised appreciation and may consequently be greater than if such compensation were based solely on realised gains. Each Fund generally calculates its own performance compensation based on its individual performance, irrespective of increases in the overall value of the Fund. Furthermore, when the Fund is rebalanced and an unprofitable underlying asset is removed, the loss carried forward by such Fund's trading is eliminated for purposes of calculating subsequent performance compensation due to the fund manager of any replacement underlying asset. Thus,

there may be substantial incentive compensation due to the relevant fund manager even during a period when the portfolio of assets is incurring significant losses.

- *Risks of leverage:* A Fund may borrow subject to applicable restrictions provided by laws and typically utilise various lines of credit and other forms of leverage. In addition, certain of a Fund's investment strategies (primarily those utilising derivative instruments) may involve indirect forms of leverage. While leverage presents opportunities for increasing a Fund's total return, it increases the potential risk of loss as well. Any event which adversely affects the value of an investment by a fund is magnified to the extent that such investment is leveraged. Leverage can have a similar effect on issuers in which a Fund invests. The use of leverage by a Fund could result in substantial losses which would be greater than if leverage had not been used. A Fund's assets may be further leveraged or hedged by the use of derivatives. In addition, investments of a Fund may include investments in partnerships and other pooled investment vehicles, which themselves employ leverage to a significant extent. Such investments are subject to the same leverage risks as described above and a Fund could lose its entire investment. As a general matter, the banks and dealers that provide financing to a Fund can apply essentially discretionary margin, haircut, financing and security and collateral valuation policies. Changes by banks and dealers in these policies may result in large margin calls, loss of financing and forced liquidations of positions at disadvantageous net asset values.

- *Investment criteria*: It may be difficult to specify precisely or comprehensively the strategies of a Fund. As a result, it may not sometimes be clear whether or not a Fund fulfils the investment criteria set out in its offering document.

- *Risks of equity investments*: The investment orientation of a Fund may be based to a significant extent on equity investments. Investment in equity securities to aggressively seek capital appreciation is speculative and is generally perceived to encompass greater risks than those involved in connection with an investment in debt securities of comparable issuers.

- *Risks of fixed income investments*: A Fund may invest in fixed income securities and, therefore, may be exposed to the risk of default by the issuers of such securities. Such default may result in delays in payment, or non-payment of interest or principal when due. Furthermore, the net asset value of fixed income securities may also fluctuate with changes in prevailing interest rates and/or in the creditworthiness of the issuer, and these fluctuations may result in a loss of capital by a Fund.

- *Risks of collective investment schemes*: Some Funds may invest in other collective investment schemes. Investment in schemes of this type may afford the investor less transparency in respect of the ultimate assets of the scheme.

- *Large transactions*: Large subscriptions and redemptions may result in the liquidation or dilution of Fund assets that may affect the NAV per Fund Share of such Fund.

- *Emerging markets*: A Fund may invest in securities of governments of, or companies domiciled in, less-developed or emerging markets. See "*Certain considerations associated with Securities linked to emerging markets*". Custody arrangements in such countries may also present enhanced risk.

- *Risks of repos*: A Fund may use repurchase agreements. Under a repurchase agreement, a security is sold to a buyer and at the same time the seller of the security agrees to buy back the security at a later date at a higher net asset value. In the event of a bankruptcy or other default of the transferor of securities in a repurchase agreement, a Fund could experience delays in liquidating the underlying securities and losses, including possible declines in the value of the collateral during the period while it seeks to enforce its rights thereto; possible subnormal levels of income and lack of access to income during this period and the expenses of enforcing its rights. In the case of a default by the transferee of securities in a repurchase agreement, the management company bears the risk that the transferee may not deliver the securities when required.

- *Risks of currency speculation*: A Fund may engage in exchange rate speculation. Foreign exchange rates have been highly volatile in recent years. The combination of volatility and leverage gives rise to the possibility of large profit but also carries a high risk of loss. In addition, there is counterparty credit risk since foreign exchange trading is done on a principal to principal basis.

- *Risks of commodity futures*: Commodity futures prices can be highly volatile. As a result of the low margin deposits normally required in futures trading, an extremely high degree of leverage is typical of a futures trading account. As a result, a relatively small price movement in a futures contract may result in substantial losses to the investor. Like other leveraged investments, a futures transaction may result in losses in excess of the amount invested.

- *Risks of derivative instruments*: A Fund may use derivative instruments, such as collateralised debt obligations, stripped mortgage-backed securities, options and swaps. There are uncertainties as to how the derivatives market will perform during periods of unusual price volatility or instability, market illiquidity or credit distress. Substantial risks are also involved in borrowing and lending against such instruments. The prices of these instruments are volatile, market movements are difficult to predict and financing sources and related interest rates are subject to rapid change. One or more markets may move against the positions held by a Fund, thereby causing substantial losses. Most of these instruments are not traded on exchanges but rather through an informal network of banks and dealers. These banks and dealers have no obligation to make markets in these instruments and may apply essentially discretionary margin and credit requirements (and thus, in effect, force a Fund to close out its relevant positions). In addition, such instruments carry the additional risk of failure to perform by the counterparty to the transaction. Government policies, especially those of the U.S. Federal Reserve Board and non-U.S. central banks, have profound effects on interest and exchange rates which, in turn, affect prices of derivative instruments. Many other unforeseeable events, including actions by various government agencies and domestic and international political events, may cause sharp market fluctuations.

- *Risks of short selling*: A Fund may sell securities short. Short selling exposes a fund to theoretically unlimited risk due to the lack of an upper limit on the price to which a security may rise. Short selling involves the sale of borrowed stock. If a stock loan is called, the short seller may be forced to repurchase the stock at a loss. In addition, some traders may attempt to profit by forcing short sellers to incur a loss. Traders may make large purchases of a stock that has been sold short. The large purchases are intended to drive up

the stock price, and cause the short sellers to incur losses. By doing this, the traders hope the short sellers will limit their losses by repurchasing the stock and force the stock price even higher.

- *Risks of arbitrage*: The use of arbitrage strategies by a Fund in no respect should be taken to imply that such strategies are without risk. Substantial losses may be incurred on ‘‘hedge’’ or ‘‘arbitrage’’ positions, and illiquidity and default on one side of a position may effectively result in the position being transformed into an outright speculation. Every arbitrage strategy involves exposure to some second order risk of the market, such as the implied volatility in convertible bonds or warrants, the yield spread between similar term government bonds or the net asset value spread between different classes of stock for the same underlying firm. Further, there are few examples of ‘‘pure’’ arbitrage funds. Most Funds also employ limited directional strategies which expose them to market risk.

- *Credit risk:* Many of the markets in which a fund effects its transactions are ‘‘over-the-counter’’ or "inter-dealer" markets. The participants in these markets are typically not subject to credit evaluation and regulatory oversight as are members of ‘‘exchange based’’ markets. To the extent that a Fund invests in swaps, derivatives or synthetic instruments, or other over-the-counter transactions in these markets, such Fund may take a credit risk with regard to parties with which it trades and also may bear the risk of settlement default. These risks may differ materially from those involved in exchange-traded transactions, which generally are characterised by clearing organisation guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered into directly between two counterparties generally do not benefit from these protections, which in turn may subject a Fund to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract or because of a credit or liquidity problem. Such "counterparty risk" is increased for contracts with longer maturities when events may intervene to prevent settlement. The ability of a Fund to transact business with any one or any number of counterparties, the lack of any independent evaluation of the counterparties or their financial capabilities, and the absence of a regulated market to facilitate settlement, may increase the potential for losses.

- *Risks relating to controlling stakes*: A Fund may take controlling stakes in companies. The exercise of control over a company imposes additional risks of liability for environmental damage, product defects, failure to supervise and other types of related liability.

As the shares of certain funds may only be redeemable on certain dates, there is a risk of delays or defaults in payment

The shares of a Fund may only be redeemable on certain redemption dates, subject to the prescribed notice period in respect of such Fund. This gives rise to a time delay between the execution of an order for redemption and payment of the proceeds on such redemption. If the Fund becomes insolvent following the date on which a redemption order would have to be notionally placed or the Calculation Agent determines that the relevant Fund would fail to pay to any shareholder in cash the full redemption proceeds owing to them if they redeemed their shares on the relevant date, an adjustment may be made by the Calculation Agent when calculating the return on the Securities to the NAV per Fund Share of the relevant Fund, thereby reducing the return on the Securities.

The market price of Fund Securities may be volatile and may depend on the time remaining to the settlement date and the volatility of the price of fund share(s) or unit(s). The price of fund share(s) or unit(s) 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.

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

Certain considerations associated with Securities linked to emerging markets

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

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

Prospective purchasers of the Securities should also be aware that the probability of the occurrence of a Hedging Disruption Event (or other Adjustment Event under the relevant legal terms as set out further in the Security Conditions) and consequently loss of investment or profit by an investor may be higher for certain developing or emerging markets. Prospective investors 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.

Exchange control risks

Potential investors should be aware that there is the risk that authorities with jurisdiction over the Settlement Currency (as specified in the applicable Final Terms and/or the currency in which the Underlying Reference is denominated, such as government and monetary authorities, may impose or modify (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or transfer of funds in and out of the country. It is impossible to predict whether the value of one such currency relative to another will rise or fall during the term of the Securities.

(E) Additional factors relating to disruption and adjustments

If an Additional Disruption Event occurs, or any Optional Additional Disruption Event specified in the applicable Final Terms occurs (other than in respect of a Failure to Deliver due to Illiquidity), the Securities may be subject to adjustment (including, in the case of Share Securities linked to a Basket of Shares, adjustments to the Basket of Shares), early settlement or the amount payable on scheduled settlement may be different from the amount expected to be paid at scheduled settlement.

The Additional Disruption Events relate to changes in law (including changes in tax or regulatory capital requirements) and hedging disruptions in respect of any hedging transactions relating to the Securities (both as more fully set out in the Conditions).

If a Failure to Deliver due to Illiquidity occurs:

(A) subject as provided in the Conditions, any Relevant Assets which are not Affected Relevant Assets, will be delivered on the originally designated Settlement Date; and

(B) in respect of any Affected Relevant Assets, in lieu of physical settlement, the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Security, by payment to the relevant Securityholder of the Failure to Deliver Settlement Price on the fifth Business Day following the date that notice of such election is given to the Securityholders in accordance with the relevant Conditions. Payment of the Failure to Deliver Settlement Price will be made in such manner as shall be notified to the Securityholders.

Consequently the occurrence of an Additional Disruption Event and/or an Optional Additional Disruption Event may have an adverse effect on the value or liquidity of the Securities.

Market Disruption Events or failure to open of an exchange

If an issue of Securities includes provisions dealing with the occurrence of a Market Disruption Event or failure to open of an exchange on a date for valuation of an Underlying Reference and the Calculation Agent determines that a Market Disruption Event or failure to open of an exchange has occurred or exists on such valuation date, any consequential postponement of the valuation date, or any alternative provisions for valuation provided in any Securities may have an adverse effect on the value and liquidity of such Securities.

The occurrence of such a Market Disruption Event or failure to open of an exchange in relation to any Underlying Reference comprising a basket may also have such an adverse effect on Securities related to such basket. In addition, any such consequential postponement may result in the postponement of the relevant Settlement Date.

Adjustment events relating to Index Securities

In the case of Index Securities, if a relevant Index is (i) not calculated and announced by the Index Sponsor in respect of the Index but is calculated and announced by a successor sponsor or successor entity, as the case may be, acceptable to the Calculation Agent, or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then, in each case, that index will be deemed to be the Index.

The occurrence of an Index Modification, an Index Cancellation or an Index Disruption (each being an "**Index Adjustment Event**") may lead to (i) changes in the calculation of the relevant value or price (if the Calculation Agent determines such Index Adjustment Event has a material effect on the Securities), (ii) early settlement of the Securities or (iii) the amount payable on scheduled settlement of the Securities being different from the amount expected to be paid at scheduled settlement.

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

Potential Adjustment Events relating to Share Securities

In the case of Share Securities, 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, acting in good faith and in a commercially reasonable manner, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Shares and, if so, will make the corresponding adjustment, if any, to any terms of the Securities as the Calculation Agent acting in good faith and in a commercially reasonable manner 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). Such adjustment may have an adverse effect on the value and liquidity of the affected Share Securities.

Extraordinary Events relating to Share Securities

In the case of Share Securities the occurrence of an Extraordinary Event (as defined in the Share Security Conditions) in relation to a Share, may lead to:

(A) adjustments to any of the terms of the Securities (including, in the case of Share Securities linked to a Basket of Shares, adjustments to and/or substitution of constituent shares of the Basket of Shares);

(B) early settlement in whole or, in the case of Share Securities relating to a Basket of Shares, in part or the amount payable on scheduled settlement being different from the amount expected to be paid at scheduled settlement;

(C) the Calculation Agent making an adjustment to any terms of the Securities which corresponds to any adjustment to the settlement terms of options on the Shares traded on such exchanges(s) or quotation system(s)) as the Issuer in its sole discretion shall select (the "**Option Exchange**") or, if options on the Shares are not traded on the Options Exchange, the Calculation Agent making such adjustment, if any, to any terms of the Securities as the Calculation Agent acting in good faith and in a commercially reasonable manner 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.

Following such settlement, an investor generally would not be able to reinvest the relevant proceeds at an effective interest rate as high as the effective return on the relevant Securities being settlement and may only be able to do so at a significantly lower rate, and potential investors should consider reinvestment risk in light of

other investments available at that time. Consequently the occurrence of an Extraordinary Event in relation to a Share may have an adverse effect on the value or liquidity of the Securities.

Potential Adjustment Events relating to ETI Securities

In the case of ETI Securities, following the declaration by the relevant exchange traded instruments or any person appointed to provide services directly or indirectly in respect of such exchange traded instrument, as the case may be, of the terms of any Potential Adjustment Event, the Calculation Agent will, acting in good faith and in a commercially reasonable manner, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the ETI Interests and, if so, will make the corresponding adjustment, if any, to any terms of the Securities as the Calculation Agent acting in good faith and in a commercially reasonable manner 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).

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

Extraordinary Events relating to ETI Securities

In the case of ETI Securities if certain events ("**Extraordinary ETI Events**") including events relating to Global Events, Litigation/Fraudulent Activity Events, Change in Related Parties/Key Persons Events, Modification Events, Net Asset Value/Investment/AUM Level Events, Tax/Law/Accounting/Regulatory Events, Hedging/Impracticality/Increased Costs Events and Miscellaneous Events in the determination of the Calculation Agent (acting in good faith and in a commercially reasonable manner) occur, the relevant Issuer may acting in good faith and in a commercially reasonable manner adjust the terms of the Securities to reflect such event, substitute the relevant ETI Interests or redeem the Securities.

Consequently the occurrence of an Extraordinary ETI Event may have an adverse effect on the value or liquidity of the Securities.

The Issuer will exercise its rights under the ETI Security Conditions, including in particular the action it takes on the occurrence of an Extraordinary Fund Event, acting in good faith. Subject to all regulatory obligations, none of the Issuer, the Guarantor (if any) or the Calculation Agent owes any duty or responsibility to any of the Securityholders of the ETI Securities. The exercise of such rights in such manner may result in an increased loss in performance of the ETI Securities than if the Issuer had taken different action.

Market Disruption Events relating to Commodity Securities

If a Market Disruption Event occurs or is continuing on a date for valuation then:

(A) the Calculation Agent will determine if such event has a material effect on the Securities and, if so, will calculate the relevant Remuneration Amount and/or Cash Settlement Amount and/or make another relevant calculation using, in lieu of a published price or level for the relevant Commodity or Commodity Index, the Commodity Fallback Value;

(B) the Calculation Agent may substitute the relevant affected Commodity or Index Component with a Commodity or Index Component selected by it in accordance with the criteria set out in the Commodity Security Conditions and will make such adjustment, if any, to any terms of the Securities as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate; or

(C) the Issuer will redeem the Securities.

Consequently the occurrence of a Market Disruption Event in relation to a Commodity, Commodity Index or Index Component may have an adverse effect on the value or liquidity of the Securities.

Adjustment Events relating to Commodity Index Securities

In the case of a Securities linked to a Commodity Index, if a relevant Commodity Index is (i) not calculated and announced by the Index Sponsor in respect of the Commodity Index but is calculated and announced by a successor sponsor or successor entity, as the case may be, acceptable to the Calculation Agent, or (ii) replaced by a successor 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 will be deemed to be the Commodity Index. The occurrence of a Commodity Index Modification, Commodity Index Cancellation or Commodity Index Disruption (each being a "**Commodity Index Adjustment Event**") may lead to:

(A) the Calculation Agent determining the Relevant Price using, in lieu of a published level, the Commodity Fallback Value (if the Calculation Agent determines such Commodity Index Adjustment Event has a material effect on the Securities); or

(B) early settlement of the Securities.

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

Other events relating to Fund Securities

In the case of Fund Securities, if certain events ("**Extraordinary Fund Events**") including events relating to Global Events, Litigation/Fraudulent Activity Events, Fund Service Provider/Key Person Events, Modification Events, NAV per Fund Share/AUM Level Events, Reporting Events, Tax/Law/Accounting/Regulatory Events, Hedging/Impracticality/Increased Costs Events, Dealing Events and Miscellaneous Events in the determination of the Calculation Agent (acting in good faith and in a commercially reasonable manner) occur, the Issuer may, acting in good faith and in a commercially reasonable manner, adjust the terms of the Securities to reflect such event, substitute the relevant Fund Shares or redeem the Securities.

Consequently the occurrence of an Extraordinary Fund Event may have an adverse effect on the value or liquidity of the Securities.

In addition, in the event that redemption proceeds in respect of the underlying Fund Shares are not received by the Hedge Provider on or prior to the scheduled date for settlement, such settlement date may be postponed for a

period of up to two calendar years (or such other period as may be specified in the applicable Final Terms) and no additional amount shall be payable as a result of such delay.

The Issuer will exercise its rights under the Fund Security Conditions, including in particular the action it takes on the occurrence of an Extraordinary Fund Event, acting in good faith. Subject to all regulatory obligations, none of the Issuer, the Guarantor (if any) or the Calculation Agent owes any duty or responsibility to any of the Securityholders of the Fund Securities. The exercise of such rights in such manner may result in an increased loss in performance of the Fund Securities than if the Issuer had taken different action.

Settlement Disruption Events

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

The occurrence of a FX Settlement Disruption Event may lead to postponement or payment in an alternative currency

If "FX Settlement Disruption" applies to the Securities, and the Calculation Agent determines on the second Business Day prior to the relevant due date for payment (the "**FX Disrupted Payment Date**") that a FX Settlement Disruption Event has occurred and is continuing, investors should be aware that payments under the relevant Securities may (i) occur at a different time than expected and that no additional remuneration amount will be payable in respect of any delay in payment of any amount under the relevant Securities and (ii) be made in USD (the "**FX Settlement Disruption Currency**"). In certain circumstances, the rate of exchange used to convert the Specified Currency and/or Settlement Currency into the FX Settlement Disruption Currency, may not be the market rate of exchange for such currencies, and in some cases, may be determined by the Calculation Agent acting in good faith and in a commercially reasonable manner.

Option to Vary Settlement

If so indicated in the Final Terms, the Issuer may, elect to vary the settlement of the Securities, by (i) in the case of cash settled securities, delivering or procuring delivery of the Entitlement instead of making payment of the Cash Settlement Amount to the relevant Securityholders or (ii) in the case of physical delivery securities, making payment of the Cash Settlement Amount to the relevant Securityholders instead of delivering or procuring delivery of the Entitlement.

Option to Substitute Assets or to Pay the Alternate Cash Settlement Amount

The Issuer may if the Calculation Agent determines (acting in good faith and in a commercially reasonable manner) that the Relevant Asset or Relevant Assets, as the case may be, comprise assets which are not freely tradable, elect either (i) to substitute a Substitute Asset or Substitute Assets, as the case may be, for the Relevant Asset or Relevant Assets or (ii) not to deliver or procure the delivery of the Entitlement or the Substitute Asset or

Substitute Assets, as the case may be, to the relevant holders, but in lieu thereof to make payment to the relevant holders on the Settlement Date of the Alternate Settlement Cash Amount.

(F) Securities Subject to Settlement at the Option of the Issuer, Other Early Settlement and Consequences of Early Settlement

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

(G) Remuneration

Application of multipliers in respect of the determination of the Remuneration Rate

To the extent that Rate Multiplier or Reference Rate Multiplier applies in respect of the determination of the Remuneration Rate for Securities which pay remuneration at a floating rate, investors should be aware that any fluctuation of the underlying floating rate will be amplified by such multiplier. Where the Rate Multiplier or Reference Rate Multiplier is less than 1, this may adversely affect the return on the Securities which pay remuneration at a floating rate.

Maximum/Minimum Remuneration Rate

Potential investors should also consider that where the underlying remuneration rate does not rise above the level of the Minimum Remuneration Rate, comparable investments in securities which pay interest based on a fixed rate which is higher than the Minimum Remuneration Rate are likely to be more attractive to potential investors than an investment in the Securities. Under those conditions, investors in the Securities might find it difficult to sell their Securities on the secondary market (if any) or might only be able to realise the Securities at a price which may be substantially lower than the notional amount. To the extent a Maximum Remuneration Rate applies, investors should be aware that the Remuneration Rate is capped at such Maximum Remuneration Rate level. Consequently, investors may not participate in any increase of market interest rates, which may also negatively affect the market value of the Securities.

Remuneration Barrier Event

Potential investors should also consider that where the Securities provide for the application of a Remuneration Barrier Event, upon the occurrence of such event the Securities will cease to bear remuneration. In such cases, investors will receive the Remuneration Amount on the immediately following Remuneration Payment Date and, thereafter, there will be no further Remuneration Payment Dates and no further Remuneration Amount will be

payable. In the event that the relevant Final Terms specify that the Remuneration Barrier Event is applicable and "No Remuneration for Remuneration Period" is applicable and a Remuneration Barrier Event occurs, no Remuneration Amount will be payable on the next following Remuneration Payment Date.

Remuneration linked to an Underlying Reference

Remuneration payable on Linked Remuneration Amount Certificates may be determined by reference to an Underlying Reference or combinations of a number of different Underlying References. Potential investors should be aware that:

(A) the market price of such Securities may be volatile;

(B) they may receive no remuneration;

(C) payment of remuneration may occur at a different time or in a different currency than expected;

(D) an Underlying Reference may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;

(E) if an Underlying Reference is applied to Certificates in conjunction with a weighting greater than one or contains some other leverage factor, the effect of changes in the Underlying Reference on remuneration payable will be magnified;

(F) the timing of changes in an Underlying Reference may affect the actual yield to investors, even if the average level is consistent with their expectations (in general, the earlier the change in the Underlying Reference, the greater the effect on yield); and

(G) remuneration may only be payable and/or calculated in respect of certain specified days and/or periods on or during which the Underlying Reference or its value equals, exceeds and/or is less than certain specified thresholds.

(H) 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 that may be relevant in connection with an investment in Securities:

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 very 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 Issuer has no obligation to purchase the Securities from the Securityholders. However, should the relevant Issuer decide to purchase the Securities, the secondary market pricing that the relevant Issuer may provide on the Securities may reflect the unwinding cost of the hedging portfolio (if any).

Specific Buy Back Provisions

If Specific Buy Back Provisions is specified as being applicable to the Certificates in the relevant Final Terms, investors should be aware that Mediobanca and/or Mediobanca International have issued the Certificates also for the purpose of entering into, from time to time, in certain Underlying Transactions. In this respect, the value of the Certificates shall reflect and shall be calculated on the basis of the Market Value of such Underlying Transactions. The composition of the Underlying Transaction will be made available to the investors in accordance with the method of publication indicated in the relevant Final Terms.

The Underlying Transactions will be selected from time to time by Mediobanca and/or Mediobanca International in their reasonable discretion, the relevant maturity and notional amount of such Underlying Transactions may be, respectively, longer or higher than the Maturity Date and Notional Amount of the relevant Certificates, and the relevant composition is subject to change during the life of the Certificates. Any changes in the composition of the Underlying Transaction could adversely affect the Market Value of the Underlying Transactions and, therefore, the value of the Certificates.

The Market Value of the Underlying Transactions, as determined by Mediobanca and/or Mediobanca International, acting in its capacity as Calculation Agent, in a fair and commercially reasonable manner and with reference to the market, could adversely affect the repurchase price, if any, of the Certificates. Therefore in the event that an investor requests the Issuer to repurchase the Certificates hold by it prior to their maturity, and the Issuer accepts such repurchase, the price of the Certificates (Buy Back Price) will be determined taking into consideration the Market Value of such Underlying Transactions. In particular, investors should note that the Market Value of the Underlying Transactions could adversely and materially affect the Buy Back Price payable to the relevant investor, particularly where the Underlying Transactions have a maturity and notional amount longer or higher, respectively, than the Settlement Date and Notional Amount of the relevant Certificates.

The Specific Buy Back Provisions shall not affect the right of the investors to receive timely payments of any amounts due and performance of any non-cash delivery obligations under the Certificates. As consideration of the Issuer entering into the Underlying Transactions in relation to the Certificates, the Issuer will pay an Extra Yield on the Certificates.

The Specific Buy Back Provisions shall apply only to Certificates issued by Mediobanca and/or Mediobanca International, where Mediobanca and/or Mediobanca International act as Dealers and where the Notional Amount of Certificates is equal to at least Euro 100,000 (or its equivalent amount if issued in a different currency).

Exchange rate risks and exchange controls

The Issuer will pay amounts on the Securities in the Settlement 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 Settlement Currency. These include the risk that exchange rates

may significantly change (including changes due to devaluation of the Settlement Currency or revaluation of the Investor's Currency or due to the official redenomination of the Settlement Currency and/or Investor's Currency) and the risk that authorities with jurisdiction over the Settlement Currency and/or the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Settlement Currency would decrease (i) the Investor's Currency-equivalent yield on the Securities (ii) the Investor's Currency equivalent value of the principal payable on the Securities and (iii) 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 less interest, principal or other amount than expected, or no interest or principal or other amount.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Securities are legal investments for it, (ii) Securities can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Securities. Each prospective investor should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Securities under any applicable risk-based capital or similar rules.

Certain specific information may not be known at the beginning of an offer period

The relevant Final Terms may provide that certain specific information relating to the Securities (such as certain amounts, levels, percentages, prices, rates or values (as applicable) used to determine or calculate amounts payable or assets deliverable in respect of the Securities) may not be fixed or determined until the end of the offer period. In such case, the Final Terms will specify in place of the relevant amounts, levels, percentages, prices, rates or values (as applicable), an indicative range of amounts, levels, percentages, prices, rates or values (as applicable).

The actual amount, level, percentage, price, rate or value, applicable to the Securities will be determined by the Issuer from within the range and will be made public prior to the Issue Date. The actual rate, level or percentage, as applicable, will be determined in accordance with market conditions by the Issuer in good faith and in a commercially reasonable manner.

Prospective investors will be required to make their investment decision based on the indicative range rather than the actual amounts, levels, percentages, prices, rates or values (as applicable), which will only be fixed after the investment decision is made but will apply to the Securities once issued.

Where an indicative range is specified in the Final Terms in respect of amounts, levels, percentages, prices, rates or values (as applicable), prospective investors should, assume that the actual amounts, levels, percentages, prices, rates or values (as applicable) fixed or determined at the end of the offer period may have a negative impact on the amounts payable or assets deliverable in respect of the Securities and consequently, have an adverse impact on the return on the Securities (when compared with other amounts, levels, percentages, prices, rates or values (as applicable) within any indicative range). Prospective investors should therefore make their decision to invest in the Securities on that basis.

Potential conflicts of interest relating to distributors or other entities involved in the offer or listing of the Securities

Potential conflicts of interest may arise in connection with the Securities, as any distributors or other entities involved in the offer and/or the listing of the Securities as indicated in the applicable Final Terms, will act pursuant to a mandate granted by the Issuer and can receive commissions and/or fees on the basis of the services performed in relation to such offer and/or listing.

Impact of costs and fees on the value of the Securities

Investors should note that issue price and/or offer price of the Securities may include fees (e.g. subscription fees, placement fees, direction fees, structuring fees (normally paid by the Issuer to the relevant intermediaries)) and/or other additional costs. Any such fees and costs may not be taken into account for the purposes of determining the price of such Securities on the secondary market and could result in a difference between the original issue price and/or offer price, the theoretical value of the Securities, and/or the actual bid/offer price quoted by any intermediary in the secondary market. Any such difference may have an adverse effect on the value of the Securities, particularly immediately following the offer and the issue date relating to such Securities, where any such fees and/or costs may be deducted from the price at which such Securities can be sold by the initial investor in the secondary market.

Certain considerations associated with public offers of Securities

If Securities are distributed by means of a public offer, under certain circumstances indicated in the relevant Final Terms, the relevant Issuer and/or other entities specified in the Final Terms may have the right to withdraw the offer, which in such circumstances will be deemed to be null and void according to the terms indicated in the relevant Final Terms and to cancel the issuance of the Securities.

In such case, investors who have already paid or delivered subscription monies for the relevant Securities will be entitled to reimbursement of such amounts, but (in the case of Certificates) will not receive any compensation that may have accrued in the period between their payment or delivery of subscription monies and the reimbursement of such amounts.

The Issuer and/or the other entities specified in the applicable Final Terms may also terminate the offer early by immediate suspension of the acceptance of further subscription requests and by giving notice to the public in accordance with the applicable Final Terms. Any such termination may occur even where the maximum amount for subscription in relation to that offer (as specified in the applicable Final Terms), has not been reached. In such circumstances, the early closing of the offer may have an impact on the aggregate number of Securities issued and, therefore, may have an adverse effect on the liquidity of the Securities.

Furthermore, under certain circumstances indicated in the applicable Final Terms, the Issuer and/or the other entities indicated in the applicable Final Terms will have the right to extend the offer period and/or to postpone the originally designated issue date, and related interest payment dates and the maturity date. For the avoidance of doubt, this right applies also in the event that the Issuer publishes a supplement to the Base Prospectus in accordance with the provisions of the Prospectus Directive.

In case of overallotment of the Securities, the investors should consider that subscription applications validly submitted may not be satisfied.

If indicated in the Final Terms, the Issuer will use the SeDeX for the distribution of the Securities according to the provisions of the rules goversning SeDeX from time to time (the "**SeDeX Rules**"). In this case, Borsa Italiana shall verify the admission requirements of the Issuer and of the Securities and shall receive the request for admission to trading. Following this, Borsa Italiana shall admit the Securities to trading and commence trading of purchase and sales contracts on the market. At the end of the sale phase, if successful, and subject to compliance with the requirements laid down in the SeDeX Rules, the admission shall become final and Borsa Italiana shall establish the date for the start of trading on the SeDex. The circumstance that, pursuant to this distribution process, potential investors can monitor (via market operators) the progress of the proposed purchases of the Securities during the offer period, may have an impact on the progress and results of the offer.

If the issue of the Securities does not take place because the admission requirements laid down in the SeDeX Rules are not satisfied, the admission decision shall cease to be effective and the contracts executed shall be considered as null and void. The contracts concluded during the distribution phase via electronic trading systems cannot be revoked unless utherwise provided in the applicable Final Terms.

Similar procedures maight apply to other trading venues.

The relevant Final Terms may also provide that the effectiveness of the offer of Securities is conditional upon admission to listing or to trading on the relevant regulated market and/or multilateral trading facility indicated in the relevant Final Terms, occurring by the Issue Date. In such case, in the event that admission to listing or trading of the Securities does not take place by the Issue Date for whatever reason, the Issuer may withdraw the offer, the offer will be deemed to be null and void and the relevant Securities will not be issued. As a consequence, the potential investor will not receive any Securities, any subscription rights the potential investor has for the Securities will be cancelled and he/she will not be entitled to any compensation therefor.

Listing of Securities

In respect of Securities which are (in accordance with the applicable Final Terms) to be listed on a regulated market and/or admitted to trading on a multilateral trading facility, the relevant Issuer shall use all reasonable endeavours to maintain such listing and/or multilateral trading facility, provided that if it becomes impracticable or unduly burdensome or unduly onerous to maintain such listing, then the relevant Issuer may apply to de-list the relevant Securities, although in this case it will use all reasonable endeavours to obtain and maintain (as soon as reasonably practicable after the relevant de-listing) an alternative admission to listing and/or trading within or outside the European Union, as it may decide.

If such an alternative admission is not available or is, in the opinion of the relevant Issuer, impracticable or unduly burdensome, an alternative admission will not be obtained.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which have been approved by or filed with the Central Bank of Ireland and the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**"), shall be deemed to be incorporated by reference in, and form part of, this Base Prospectus:

- the unaudited consolidated interim financial report for the six months ended on 31 December 2018 and 2017 of Mediobanca;
- the unaudited non-consolidated interim financial report for the six months ended on 31 December 2018 and 2017 of Mediobanca International;
- the audited consolidated annual financial statements as at and for the years ended 30 June 2018 and 2017 of Mediobanca;
- the audited non-consolidated annual financial statements as at and for the years ended 30 June 2018 and 2017 of Mediobanca International;
- the Terms and Conditions of the Securities (Pages 225 to 752) set out in the Base Prospectus dated 24 May 2018 relating to the Issuance Programme of Mediobanca and Mediobanca International;
- the Form of Final Terms (Pages 881 to 1011) set out in the Base Prospectus dated 24 May 2018 relating to the Issuance Programme of Mediobanca and Mediobanca International;

in the case of the above-mentioned financial statements, together with the accompanying notes and (where applicable) auditors' reports, save that any statement contained in this Base Prospectus or in any of the documents incorporated by reference in, and forming part of, this Base Prospectus shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained in any document subsequently incorporated by reference by way of supplement prepared in accordance with Article 16 of the Prospectus Directive modifies or supersedes such statement. Where only certain sections of a document referred to above are incorporated by reference to this Base Prospectus, the parts of the document which are not incorporated by reference are either not relevant for prospective investors or are covered elsewhere in this Base Prospectus.

The Issuers will provide, without charge to each person to whom a copy of this Base Prospectus has been delivered, upon the request of such person, a copy (by electronic means, unless such person requests hard copy) of any or all the documents deemed to be incorporated by reference herein unless such documents have been modified or superseded as specified above, in which case the modified or superseded version of such document will be provided. Request for such documents should be directed to the Issuers at their offices set out at the end of this Base Prospectus. In addition, such documents will be available, without charge, at the principal office of the Paying Agent in Luxembourg and on the Mediobanca's website at the following link (https://www.mediobanca.com/en/investor-relations/results-presentations/index.html with respect to the financial information https://raccoltaproprietaria.mediobanca.it/en/documents/index.html with respect to the remaining

documents listed above) and on the Mediobanca International's website (https://www.mediobanca.com/en/our-group/mediobanca-international-luxembourg-s-a.html).

The following table shows where some of the information required under Annex XI of Commission Regulation (EC) No. 809/2004, as amended, can be found in the above mentioned documents incorporated by reference.

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 Commission Regulation (EC) No. 809/2004, as amended.

Cross-reference list in respect of the Mediobanca and Mediobanca International financial statements

Mediobanca - Consolidated annual financial statements **Commission Regulation (EC) No. 809/2004 - Annex XI, Paragraph 11.1**	**2018**	**2017**
Balance sheet	Pages 78-79	Pages 76-77
Statement of income.....	Pages 80-81	Pages 78-79
Statement of changes in equity	Pages 82-83	Pages 80-71
Cashflow statement	Pages 84-85	Pages 82-83
Accounting policies and explanatory notes.....	Pages 87-292	Pages 85-277
Auditors' reports	Pages 66-75	Pages 65-75

Mediobanca International - Non-Consolidated annual financial statements **Commission Regulation (EC) No. 809/2004 - Annex XI, Paragraph 11.1**	**2018**	**2017**
Statement of financial position.....	Page 34	Page 32
Statement of comprehensive income.....	Page 35	Page 33
Cashflow statement	Page 38	Page 36
Statement of changes in equity	Pages 36-37	Pages 34-35
Accounting policies and explanatory notes.....	Pages 40-173	Pages 37-152
Auditors' reports	Pages 26-31	Pages 23-29

Cross-reference list in respect of the Mediobanca and Mediobanca International interim financial reports for the six months ended on 31 December 2018 and 2017

Mediobanca - Consolidated interim report **for the six months ended 31 December**	**2018**	**2017**
Balance sheet	Pages 68 - 69	Pages 64-65
Statement of income	Page 70	Page 66
Statement of changes in equity	Pages 72-73	Pages 68-69
Cashflow statement	Page 74	Page 70
Accounting policies and explanatory notes	Pages 77 -258	Pages 76-219
Auditors' reports	Pages 65-67	Pages 59-62

Mediobanca International - Non- Consolidated interim report		

for the six months ended 31 December	2018	2017
Statement of comprehensive income	Page 21	Page 21
Cash flow statement	Page 23	Page 26
Statement of changes in equity	Page 22	Page 24
Accounting policies and explanatory notes	Page 27	Pages 26-98
Auditors' reports	-	Pages 16-17

SUPPLEMENTS AND FURTHER PROSPECTUSES

The Issuers will prepare a replacement prospectus setting out the changes in the operations and financial conditions of the Issuer at least every year after the date of this Base Prospectus and each subsequent Base Prospectus.

The Issuers have given an undertaking to the Dealers that if at any time during the duration of the Programme there is a significant new factor, material mistake or inaccuracy relating to the information contained in this Base Prospectus which is capable of affecting the assessment of the Securities, they shall prepare a supplement to this Base Prospectus or publish a replacement Base Prospectus for use in connection with any subsequent offering of the Securities and shall supply to each Dealer a number of copies of such supplement as a Dealer may reasonably request.

In addition, the Issuers and the Guarantor may agree with any Dealer to issue Securities in a form not contemplated in the sections of this Base Prospectus entitled "Form of Final Terms". To the extent that the information relating to that Tranche of Securities constitutes a significant new factor in relation to the information contained in this Base Prospectus, a separate prospectus specific to such Tranche (a "**Drawdown Prospectus**") will be made available and will contain such information. Each Drawdown Prospectus will be constituted either (1) by a single document containing the necessary information relating to the relevant Issuer and (if applicable) the Guarantor and the relevant Securities or (2) pursuant to Article 5.3 of the Prospectus Directive, by a registration document containing the necessary information relating to the relevant Issuer and (if applicable) the Guarantor, a securities note containing the necessary information relating to the relevant Securities and, if necessary, a summary note. In the case of a Tranche of Securities which is the subject of a Drawdown Prospectus, references in this Base Prospectus to information specified or identified in the Final Terms shall (unless the context requires otherwise) be read and construed as information specified or identified in the relevant Drawdown Prospectus.

FORMS OF THE SECURITIES

Form

Each Series of Securities will on issue be constituted by either (a) in the case of Securities with a maturity of more than one year, a temporary global security in bearer form (the "**Temporary Global Security**") or (b) in the case of Securities with a maturity of one year or less, a permanent global security in bearer form (the "**Permanent Global Security**" and together with the Temporary Global Security, the "Global Securities" and each a "**Global Security**") as indicated in the applicable Final Terms which, in either case, will be deposited with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and/or deposited directly with Monte Titoli S.p.A. and/or any other centralised custodian appointed by the Issuers (a "**Centralised Custodian**").

The relevant Final Terms will specify whether United States Treasury Regulation §1.163-5(c)(2)(i)(C) (the "**TEFRA C Rules**") or United States Treasury Regulation §1.163-5(c)(2)(i)(D) (the "**TEFRA D Rules**") are applicable in relation to the Securities or, if the Securities do not have a term of more than 365 days, that neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

On or after the 40th day following the Issue Date of the Securities (the "**Exchange Date**") the Temporary Global Security will be exchangeable (a) for a Permanent Global Security or (b) for Securities in definitive form ("**Definitive Securities**", and the expressions "**Definitive Certificates**" shall be construed accordingly), as indicated in the applicable Final Terms and in each case only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Security are not United States persons or persons who have purchased for resale to any United States person, as required by U.S. Treasury regulations, 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 certification received) to the Fiscal Agent.

A Permanent Global Security will be exchangeable (free of charge), in whole but not in part, for Definitive Securities only upon the occurrence of an Exchange Event. For these purposes, "Exchange Event" means that:

(i) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business, or

(ii) the relevant Issuer has or will become subject to adverse tax consequences which would not be suffered were the Securities represented by the Permanent Global Security in definitive form.

The Issuer will promptly give notice to Securityholders in accordance with Condition 8 (*Notices*) of the Terms and Conditions of the Securities if an Exchange Event occurs. No Definitive Security delivered in exchange for a Temporary Global Security or a Permanent Global Security, as the case may be, will be mailed or otherwise delivered to any location in the United States or its possessions.

Terms and Conditions applicable to the Securities

The applicable Final Terms for the Securities will be attached to or incorporated by reference into the Global Security and completes the Terms and Conditions of the Securities.

Legend concerning United States persons

The following legend will appear on all Securities with a maturity of more than 365 days:

"Any United States person 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."

Dematerialised form

If the relevant Final Terms specifies the form of the Securities as being "Dematerialised form", then the Securities will not be represented by paper certificates and the transfer and exchange of Securities will take place exclusively through an electronic book-entry system managed by Monte Titoli S.p.A. or any other Centralised Custodian appointed by the Issuers. Accordingly, all Securities shall be held by their owners with an intermediary participant in the relevant Centralised Custodian. The intermediary will in turn hold the Securities with the Centralised Custodian.

To transfer an interest in the Securities, the transferor and the transferee are required to give instructions to their respective intermediaries. If the transferee is a client of the transferor's intermediary, the intermediary will simply transfer the Securities from the Transferor's account to the account of the transferee. If, however, the transferee is a client of another intermediary, the transferor's intermediary will instruct the centralised clearing system to transfer the Securities to the account of the transferee's intermediary, which will then register the Securities on the transferee's account.

Each intermediary maintains a custody account for each of its clients. This account sets out the financial instruments of each client and the records of all transfers, interest payments, charges or other encumbrances on such instruments. The account holder or any other eligible party may submit a request to the intermediary for the issue of a certified account statement.

In such circumstances, it will not be possible for a Securityholder to obtain physical delivery of Securities certificates representing the Securities.

TERMS AND CONDITIONS OF THE SECURITIES

*The following is the text of the Terms and Conditions of the Securities which will include the additional terms and conditions contained in Annex 1 (Additional Terms and Conditions relating to Formulas) in relation to the formulas for Securities, the additional terms and conditions contained in Annex 2 (Additional Terms and Conditions for Index Securities) in the case of Index Securities, the additional terms and conditions contained in Annex 3 (Additional Terms and Conditions for Share Securities) in the case of Share Securities, the additional terms and conditions contained in Annex 4 (Additional Terms and Conditions for ETI Securities) in the case of ETI Securities, the additional terms and conditions contained in Annex 5 (Additional Terms and Conditions for Debt Securities) in the case of Debt Securities, the additional terms and conditions contained in Annex 6 (Additional Terms and Conditions for Commodity Securities) in the case of Commodity Securities, the additional terms and conditions contained in Annex 7 (Additional Terms and Conditions for Inflation Index Securities) in the case of Inflation Index Securities, the additional terms and conditions contained in Annex 8 (Additional Terms and Conditions for Currency Securities) in the case of Currency Securities, the additional terms and conditions contained in Annex 9 (Additional Terms and Conditions for Fund Securities) in the case of Fund Securities, the additional terms and conditions contained in Annex 10 (Additional Terms and Conditions for Futures Securities) in the case of Futures Securities, the additional terms and conditions contained in Annex 11 (Additional Terms and Conditions for Underlying Interest Rate Securities) in the case of Underlying Interest Rate Securities, the additional terms and conditions contained in Annex 12 (Additional Terms and Conditions for Credit Securities) in the case of Credit Securities, the additional terms and conditions contained in Annex 13 in the case of OET Certificates (Additional Terms and Conditions for OET Certificates)(each, an "**Annex**" and, together the "**Annexes**") (the "**Conditions**") which will be incorporated by reference into each Global Security or, in the case of Dematerialised Securities (as defined below), will apply to such Securities. In the case of Securities (other than Dematerialised Securities), the applicable Final Terms (or the relevant provisions thereof) will be attached to each Global Security.*

For the purposes of Securities which are neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive ("**Exempt Securities**"), references in these Terms and Conditions to "Final Terms" shall be deemed to be references to "Pricing Supplement". The expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the relevant Member State of the European Economic Area.

Mediobanca - Banca di Credito Finanziario S.p.A. ("**Mediobanca**") and Mediobanca International (Luxembourg) S.A. ("**Mediobanca International**") (each, an "**Issuer**" and, together, the "**Issuers**") have established an Issuance Programme (the "**Programme**") for the issuance of certificates ("**Certificates**" or "**Securities**"), guaranteed by Mediobanca (in its capacity as guarantor, the "**Guarantor**") in respect of Securities issued by Mediobanca International.

The Securities are issued pursuant to an amended and restated Issue and Paying Agency Agreement dated 24 May 2019, as amended or supplemented from time to time, (the "**Issue and Paying Agency Agreement**")

between the Issuers, the Guarantor, BNP Paribas Securities Services, Luxembourg Branch, as fiscal agent and principal paying agent (the "**Fiscal Agent**") and Mediobanca in its capacity as Italian paying agent (the "**Italian Paying Agent**" and together with the Fiscal Agent and any additional or other paying agents in respect of the Securities from time to time appointed, the "**Paying Agents**") and with the benefit of deeds of covenant dated 24 May 2019 (each, a "**Deed of Covenant**" and, together, the "**Deeds of Covenant**"), each of them executed by the relevant Issuer in respect of Securities issued by such Issuer. The Guarantor has, for the benefit of the holders of Securities issued by Mediobanca International from time to time, executed and delivered a deed of guarantee (the "**Deed of Guarantee**") dated 24 May 2019 under which it has guaranteed, in accordance with the terms and subject to limitations of the Deed of Guarantee, the due and punctual payment of the amounts due and the performance of any non-cash delivery obligations by Mediobanca International under the Securities and the Deed of Covenant as and when the same shall become due and payable or deliverable, as the case may be (the "**Guarantee of the Securities**").

The Securityholders (as defined in Security Condition 1.2 (*Title to Securities*)) are entitled to the benefit of and are deemed to have notice of all of and are bound by the provisions of the Issue and Paying Agency Agreement and the applicable Final Terms, applicable to them.

Securities issued under the Programme are issued in series (each a "**Series**") and each Series may comprise one or more tranches (each a "**Tranche**") of Securities. The terms and conditions applicable to any particular Tranche of Securities are these Conditions, as completed by the relevant Final Terms (the "**Final Terms**"). In the event of any inconsistency between these Conditions and the relevant Final Terms, the relevant Final Terms shall prevail. All subsequent references in these Conditions to "**Securities**" are to the Securities which are the subject of the relevant Final Terms. Copies of the relevant Final Terms are available during normal business hours at the specified office of the Fiscal Agent, the initial specified office of which is set out below, save that if the Securities are unlisted, the applicable Final Terms will only be obtainable by a Securityholder and such Securityholder must produce evidence satisfactory to the relevant Fiscal Agent as to identity. Certain provisions of these Conditions are summaries of the Issue and Paying Agency Agreement and are subject to their detailed provisions.

The Final Terms issued in respect of each issue of Securities will specify whether the relevant Issuer is Mediobanca or Mediobanca International. In these Conditions of the Securities, any reference to a statute or regulation shall be construed as a reference to such statute or regulation as the same may have been, or may from time to time be, amended or re-enacted.

Copies of the Issue and Paying Agency Agreement, the Deeds of Covenant and the Deed of Guarantee are available for inspection at the specified office of the Paying Agent.

Securities issued under the Programme will be in the form of Certificates and references in these Conditions to "**Security**" and "**Securities**" will be construed accordingly. References herein to the applicable Final Terms are to Part A of the Final Terms or each Final Terms (in the case of any further securities issued pursuant to Security Condition 10 (*Further Issues*) and forming a single series with the Securities) (which for the avoidance of doubt may be issued in respect of more than one series of Securities) attached to the global security in bearer form representing the Securities (the "**Global Security**") or, in the case of Dematerialised Securities, will applying to

such Securities, insofar as it relates to the Securities.

For the avoidance of doubt, any reference in the Conditions to a level, value, price, percentage, number, amount or date to be indicated in the relevant Final Terms, should be interpreted as reference to one or more of such levels, values, prices, percentages, numbers, amounts or dates, based on what will be indicated in the relevant Final Terms.

1. TYPE, TITLE AND TRANSFER

1.1. *Type*

The Securities relate to (i) a specified index or basket of indices or futures or options contracts related to a specified index or basket of indices ("**Index Securities**"), (ii) a specified share or basket of shares, or a specified depositary receipt (a "**GDR/ADR**") referencing a share (an "**Underlying Share**") or basket of GDRs and/or ADRs ("**Share Securities**"), (iii) a specified interest in an exchange traded fund, an exchange traded note, an exchange traded commodity or any other exchange traded product (each an "**exchange traded instrument**") or basket of interests in exchange traded instruments ("**ETI Securities**"), (iv) a specified debt instrument or basket of debt instruments or futures or options contracts related to a specified debt instrument or basket of debt instruments (synthetic or otherwise) ("**Debt Securities**"), (v) a specified commodity or commodity index or basket of commodities and/or commodity indices ("**Commodity Securities**"), (vi) a specified inflation index or basket of inflation indices ("**Inflation Index Securities**"), (vii) a specified currency or basket of currencies or futures or options contracts related to a specified currency or basket of currencies ("**Currency Securities**"), (viii) a specified fund share or unit or basket of fund shares or units ("**Fund Securities**"), (ix) a specified futures contract or basket of futures contract(s) ("**Futures Securities**"), (x) a specified underlying interest rate or basket of underlying interest rates ("**Underlying Interest Rate Securities**"), (xi) the credit of a specified reference entity or reference entities ("**Credit Securities**"), (xii) and/or any combination of such indices, shares, interests in exchange traded instruments, debt instruments, commodities, commodity indices, inflation indices, currencies, fund shares or units, futures contract(s), underlying interest rate(s), the credit of a specified reference entity or reference entities and other asset classes or types ("**Hybrid Securities**").

If the Securities are Hybrid Securities and Hybrid Securities is specified as applicable in the applicable Final Terms, the terms and conditions of the Securities will be construed on the basis that in respect of each separate type of underlying reference asset or basis, the relevant terms applicable to each such separate type of underlying reference asset or basis will apply, as the context admits, separately and independently in respect of the relevant type of underlying reference asset or basis, except as specified in the applicable Final Terms.

The applicable Final Terms will indicate:

(i) whether settlement shall be by way of cash payment ("**Cash Settled Securities**") or physical delivery ("**Physical Delivery Securities**");

(ii) whether Averaging ("**Averaging**") will apply to the Securities; and

(iii) if Averaging is specified as applying in the applicable Final Terms, the relevant Averaging Dates and, if

an Averaging Date is a Disrupted Day (as defined in Security Condition 3 below (*Definitions*), whether Omission, Postponement or Modified Postponement (each as defined in Security Condition 3 (*Definitions*) applies;

(iv) whether remuneration shall be payable in respect of the Securities.

Subject as provided below, the Settlement Currency in respect of the Securities will be specified in the applicable Final Terms. If Dual Currency Certificates is specified as being applicable in the Final Terms and the Securities are Cash Settled Securities, the Cash Settlement Amount for each such Security shall be paid in a Settlement Currency which is different from the currency in which the Certificates are denominated on the Issue Date. If Dual Currency Securities is specified as being applicable in the Final Terms and Settlement Currency Barrier Selection is specified in the applicable Final Terms, the Settlement Currency in respect of the Cash Settlement Amount and/or the relevant payment of Remuneration Amount will be determined by reference to whether or not the Settlement Currency Barrier Condition is satisfied at the relevant time. If the Settlement Currency Barrier Condition is satisfied at the relevant time the Settlement Currency for the relevant payment will be the First Settlement Currency specified in the applicable Final Terms. If the Settlement Currency Barrier Condition is not satisfied at the relevant time the Settlement Currency for the relevant payment will be the Second Settlement Currency.

References in these Conditions, unless the context otherwise requires, to Cash Settled Securities shall be deemed to include references to Physical Delivery Securities, which include an option (as set out in the applicable Final Terms) at the relevant Issuer's election to request cash settlement of such Security and where settlement is to be by way of cash payment. References in the Conditions, unless the context otherwise requires, to Physical Delivery Securities shall be deemed to include references to Cash Settled Securities which include an option (as set out in the applicable Final Terms) at the relevant Issuer's election to request physical delivery of the relevant underlying asset in settlement of such Security and where settlement is to be by way of physical delivery.

1.2. *Title to Securities*

In the case of Securities represented by a Global Security 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(s) as the holder of a particular number of Securities (in which regard any certificate or other document issued by the relevant Clearing System(s) as to the number of Securities 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 relevant Issuer, the Guarantor, if any, the Paying Agents and the Calculation Agent and all other persons dealing with such person as the holder of such number of Securities for all purposes (and the expressions "**Securityholder**", "**Certificateholder**" and "**holder of Securities**" and related expressions shall be construed accordingly).

In the case of Dematerialised Securities, the person who is for the time being shown in the records of the relevant Clearing System(s) as the holder of a particular amount of Securities (in which regard any certificate, record or other document issued by the relevant Clearing System(s) as to the amount of Securities standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall (except as otherwise required by applicable law) be treated for all purposes by the Issuer, the Guarantor, if any, the Paying

Agents and the Calculation Agent and all other persons dealing with such person as the holder thereof and as the holder of such number of Securities for all purposes (and the expressions "**Securityholder**", "**Certificateholder**" and "**holder of Securities**" and related expressions shall be construed accordingly, except where the Securities are Italian Dematerialised Securities, in which case "**Securityholder**", "**Certificateholder**" and "**holder of Securities**" will be exclusively deemed to be the beneficial owner of the Securities). The Issuer shall cause Italian Dematerialised Securities to be dematerialised and centralised with Monte Titoli S.p.A., pursuant to Italian legislative decree no. 58/1998 as amended and integrated by subsequent implementing provisions.

1.3. *Transfers of Securities*

For so long as the Securities are represented by Securities in definitive form ("**Definitive Securities**"), title to the Securities will pass by delivery.

For so long as the Securities are represented by a Global Security, all transactions (including transfers of Securities) in the open market or otherwise must be effected through an account at the relevant Clearing System(s), 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(s).

If the relevant Final Terms specifies that the Securities will be held in dematerialised form ("**Dematerialised Securities** "), then the Securities will not be represented by paper certificates and the transfer and exchange of Securities will take place exclusively through an electronic book-entry system managed by Monte Titoli S.p.A. or any other centralised custodian appointed by the Issuers (the "**Centralised Custodian**"). Accordingly, all Securities in dematerialised form shall be held by their owners with an intermediary participant the relevant Centralised Custodian. The intermediary will in turn hold the Securities with the Centralised Custodian.

Any reference herein to a Clearing System(s), Euroclear and/or Clearstream, Luxembourg and/or Monte Titoli S.p.A. shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the relevant Issuer and the Fiscal Agent from time to time and notified to the Securityholders in accordance with Security Condition 8 (*Notices*).

Any transfer or attempted transfer within the United States or to, or for the account or benefit of, a United States person shall be null and void *ab initio* and shall vest no rights in the purported transferee (the "**Disqualified Transferee**") and the last preceding holder that was not a Disqualified Transferee shall be restored to all rights as a Securityholder thereof retroactively to the date of transfer of such interest by the relevant Securityholder.

2. STATUS OF THE SECURITIES AND THE GUARANTEE

2.1. *Status of the Securities*

The Securities constitute direct, unconditional, unsubordinated and unsecured obligations of the relevant Issuer and rank *pari passu* among themselves and (save for certain obligations required to be preferred by law and subject to any Italian Bail-in Power, with reference to Securities issued by Mediobanca, and any Luxembourg Bail-in Power, with reference to Securities issued by Mediobanca International) equally with all other unsecured obligations other than subordinated obligations, if any, of the relevant Issuer from time to time outstanding.

2.2. *Status of Guarantee*

The Guarantee of the Securities constitutes direct, unconditional, unsubordinated and unsecured obligations of the Guarantor pursuant to the terms and conditions and subject to the limitations set out in the Deed of Guarantee which will rank at all times at least *pari passu* without any preference among themselves and equally with all other present and future unsecured and unsubordinated obligations of the Guarantor, save for certain mandatory exceptions of applicable law and subject to any Italian Bail-in Power.

As more fully set forth in the Guarantee, the Guarantor shall at all times have the right, at its sole and unfettered discretion, to elect not to deliver or procure delivery of the Entitlement to the holders of Physical Delivery Securities when the same shall become due and deliverable, but in lieu thereof to pay an amount in cash determined by the Guarantor acting in good faith and in a commercially reasonable manner equal to the Guaranteed Cash Settlement Amount. The "**Guaranteed Cash Settlement Amount**" in respect of each Security means an amount calculated pursuant to the terms of, or as specified in, the applicable Final Terms or, if not specified in the applicable Final Terms, an amount equal to the fair market value of the Entitlement in respect of such Security on any date notified as such by the Guarantor to the relevant Issuer and the Calculation Agent, less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the relevant Issuer and/or its Affiliates or agents of unwinding or adjusting any underlying or related hedging arrangements (including the cost of funding in respect of such hedging arrangements), all as determined by the Guarantor acting in good faith and in a commercially reasonable manner.

Any payment of the Guaranteed Cash Settlement Amount, in lieu of the Entitlement shall constitute a complete discharge of the Guarantor's obligations in respect of such Physical Delivery Securities.

3. DEFINITIONS

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

"**Additional Disruption Event**" is as defined in Security Condition 13.1 (*Definitions*);

"**Adjustment Date**" is as defined in Security Condition 15(b);

"**Administrator/Benchmark Event**" is as defined in Security Condition 13.1 (*Definitions);*

"**AES Range Level**" is as defined in Security Condition 17.5(c);

"**AES Range Level 1**" is as defined in Security Condition 17.5(c);

"**AES Range Level 2**" is as defined in Security Condition 17.5(c);

"**Affected Component Security**" is as defined in this Security Condition 3 (*Definitions)* under the definition of Strike Date and the definition of Valuation Date;

"**Affected Item**" is as defined in this Security Condition 3 (*Definitions)* under the definition of Averaging Date, Strike Date, Valuation Date and in Commodity Security Condition 1 (Definitions) under the definition of Commodity Fallback Value;

"**Affected Relevant Assets**" is as defined in Security Condition 13.1 (*Definitions*);

"**Affected Share**" is as defined in Security Condition 13.2(c) and Share Security Condition 5.2 (e);

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

"**Alternate Cash Amount**" is as defined in Security Condition 4.5 *(Issuer's Option to Substitute Assets or to pay the Alternate Cash Amount)*;

"**Alternative Currency**" is the currency alternative to the Base Currency, indicated in the relevant Final terms;

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

"**Applicable Banking Regulations**" is as defined in Security Condition 13.1 (*Definitions);*

"**Asset Instruments**" is as defined in Security Condition 6.2 (*Specific Buy Back Provisions*);

"**Automatic Early Settlement Amount**" is as defined in Security Condition 17.5(c) and 17.6 (*Automatic Early Settlement – Automatic Early Settlement Payout Capitalised Call and Put Securities 1*) and in OET Certificates Condition 1 (*Definitions)*;

"**Automatic Early Settlement Event**"is as defined in Security Condition 17.5(c) and 17.6 (*Automatic Early Settlement – Automatic Early Settlement Payout Capitalised Call and Put Securities 1*) and in OET Certificates Condition 1 (*Definitions)*;

"**Automatic Early Settlement Date**" is as defined in Security Condition 17.5(c), 17.6 (*Automatic Early Settlement – Automatic Early Settlement Capitalised Call and Put Securities1*) and in OET Certificates Condition 2 (*Automatic Early Settlement)*;

"**Automatic Early Settlement Level**" is as defined in Security Condition 17.5(c);

"**Automatic Early Settlement Payout**" is as defined in Formulas Condition 2.1 (*Automatic Early Settlement Payouts*);

"**Automatic Early Settlement Valuation Date**" is as defined in Security Condition 17.5(c) and 17.6 (*Automatic Early Settlement – Automatic Early Settlement Payout Capitalised Call and Put Securities 1*) and OET Certificate Condition 1 (*Definitions)*;

"**Averaging**" is as defined in Security Condition 1.1 (*Type)*;

"**Averaging Date**" means:

(a) in the case of Index Securities, Share Securities, ETI Securities, Debt Securities or Futures Securities, each date specified as an Averaging Date in the applicable Final Terms or, if any such date is not a

Scheduled Trading Day, the immediately following Scheduled Trading Day unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day. If any such day is a Disrupted Day, then:

(i) if "**Omission**" is specified as applying in the applicable Final Terms, then such date will be deemed not to be an Averaging Date for the purposes of determining the relevant value, level, price or amount provided that, if through the operation of this provision no Averaging Date would occur, then the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant value, level, price or amount on the final Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day; or

(ii) if "**Postponement**" is specified as applying in the applicable Final Terms, then the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant value, level, price or amount on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date; or

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

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

B. where the Securities are Index Securities relating to a single Component Security Index, the Calculation Agent shall determine the level of the Component Security Index for the Averaging Date in accordance with sub-paragraph (a)(ii) of the definition of "Valuation Date" below and the Averaging Date shall be deemed to be the earliest date on which the Calculation Agent determines the level of the Component Security Index in accordance with the provisions of sub-paragraph (a)(ii) of the definition of "Valuation Date" below;

C. where the Securities are Index Securities relating to a Basket of Indices (other than a Basket of Component Security Indices), Share Securities relating to a Basket of Shares,

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

D. where the Certificates are Index Securities relating to a Basket of Component Security Indices, the Averaging Date for each Component Security Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Averaging Date, and for each Component Security Index affected (an "**Affected Item**") by the occurrence of a Disrupted Day, the Calculation Agent shall determine the level of the Component Security Index in accordance with the provisions of sub-paragraph (a)(iv) of the definition of "Valuation Date" below and the Averaging Date shall be deemed to be the earliest date on which the Calculation Agent determines the level of the Component Security Index in accordance with the provisions of sub-paragraph (a)(iv) of the definition of "Valuation Date" below; or

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

(c) in the case of Open End Certificates, the date designated as such by the Issuer, provided that such date is determined by the Issuer and notified to the Securityholders in accordance with Security Condition 8 (*Notices*) at the latest on the tenth (10th) Business Day preceding the contemplated Averaging Date;

"**Base Currency**" is the currency specified as such in the Final Terms;

"**Basket**" means in respect of any Underlying Reference constituted by more than one item, the basket composed of such items in the relative proportions and/or numbers specified in the Final Terms;

"**Basket of Underlying References**" is as defined in Security Condition 17.5(c);

"**Benchmark**" is as defined in Security Condition 13.1 (*Definitions);*

"**Benchmark Modification or Cessation Event**" is as defined in Security Condition 13.1 (*Definitions);*

"**BMR**" is as defined in Security Condition 13.1 (*Definitions)*;

"**BRRD**" is as defined in Security Condition 13.1 (*Definitions);*

"**Business Day**" means (i) a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the relevant Business Day Centre(s) and on which the relevant Clearing System(s) is open for business, (ii) if TARGET2 System is specified as a Business Day Centre in the applicable Final Terms, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System (the "**TARGET2 System**") is open (a "**TARGET2 Settlement Day**") and (iii) for the purposes of making payments in euro, any TARGET2 Settlement Day. If any date referred to in these Conditions which is specified to be subject to adjustment in accordance with a Business Day Convention 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 date shall be postponed to the next day which is a Business Day, (ii) the Modified Following Business Day Convention, such date 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 date shall be brought forward to the immediately preceding Business Day, (iii) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day or (iv) the Modified Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day unless it would thereby fall into the previous calendar month, in which event such date shall be brought forward to the immediately following Business Day;

"**Buy Back Price**" is as defined in Security Condition 6.2 (*Specific Buy Back Provisions*);

"**Calculated Additional Disruption Amount**" is as defined in Security Condition 13.2(b)(ii);

"**Calculated Additional Disruption Amount Determination Date**" is as defined in Security Condition 13.2(b)(ii);

"**Calculation Agent**" means Mediobanca - Banca di Credito Finanziario S.p.A. or the different entity indicated in the relevant Final Terms;

"**Calculation Period**" means each Remuneration Period, AES Calculation Period or FS Calculation Period, Call Calculation Period or Put Calculation Period, as applicable;

"**Call Option**" means, if the Call Option is applicable in relation to the Certificates, if so specified in the relevant Final Terms, the option which can be irrevocably exercised by the Issuer during the Call Option Exercise Notice Period(s) specified in the applicable Final Terms pursuant to Security Condition 17.7 (*Issuer Call Option)*;

"**Call Option Condition(s)**" has the meaning given in Security Condition 17.7 (*Issuer Call Option*);

"**Call Option Condition Exercise Notice**" has the meaning given in Security Condition 17.7 (*Issuer Call Option*);

"**Call Option Exercise Notice**" has the meaning given in Security Condition 17.7 (*Issuer Call Option*);

"**Call Option Exercise Notice Period**" means, if the Call Option is applicable in relation to the Certificates, if so specified in the relevant Final Terms, the period– as indicated in the Final Terms – within which the Issuer shall notify, in accordance with Security Condition 17.7 (*Issuer Call Option*), the intention to exercise the Call Option;

"**Call Payout**" is as defined in Formulas Condition 4.1 *(Issuer Call Option Payouts Formulas)*

"**Cash and Carry Arbitrage**" is as defined in Security Condition 6.2 (*Specific Buy Back Provisions*);

"**Cash-CDS Arbitrage**" is as defined in Security Condition 6.2 (*Specific Buy Back Provisions*);

"**Cash Instrument**" is as defined in Security Condition 6.2 (*Specific Buy Back Provisions*);

"**Cash Settlement Amount**" means, in relation to a Cash Settled Security, the amount which the Securityholder is entitled to receive on the Settlement Date in the Settlement Currency in relation to each such Security, in each case as specified in the applicable Final Terms or determined by the Calculation Agent in accordance with the Final Payouts included in Annex 1 (*Additional Terms and Conditions relating to Formulas*), provided in each case that the Cash Settlement Amount will not be greater than the Maximum Amount (if any) and will not be less than the Minimum Amount (if any), as specified in the relevant Final Terms. The Cash Settlement Amount shall be rounded to the nearest sub-unit of the relevant Settlement Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention, provided that if Rounding Convention 2 is specified as applicable in the applicable Final Terms, the Cash Settlement Amount shall not be subject to rounding but Securities of the same Series held by the same Securityholder will be aggregated for the purpose of determining the aggregate Cash Settlement Amount in respect of such Securities and such aggregate of Cash Settlement Amounts will be rounded down to the nearest whole sub-unit of the Settlement Currency in such manner as the Calculation Agent shall determine, provided that if the Final Payout is zero, no amount shall be payable in respect of the relevant Certificate. This definition shall not apply to Credit Securities.

If the Cash Settlement Amount is not an amount in the Settlement Currency, if specified in the applicable Final Terms it will be converted into the Settlement Currency at the Exchange Rate specified in the applicable Final Terms;

"**CDS Components**" is as defined in Security Condition 6.2 (*Specific Buy Back Provisions*);

"**Change in Law**" is as defined in Security Condition 13.1 *(Definitions)* and Credit Security Condition 13 *(Definitions)*;

"**Clearing System**" shall mean Euroclear and/or Clearstream, Luxembourg and/or Monte Titoli S.p.A. or such other clearing system or Centralised Custodian as may be specified in the applicable Final Terms;

"**Commodity Securities**" is as defined in Security Condition 1.1 (*Type)*;

"**Component**" means in respect of any Underlying Reference constituted by a Basket, each component comprised in such Basket;

"**CRD IV**" is as defined in Security Condition 13.1 (*Definitions);*

"**CRD IV Directive**" is as defined in Security Condition 13.1 (*Definitions);*

"**CRD IV Implementing Measure**" is as defined in Security Condition 13.1 (*Definitions);*

"**CRR**" is as defined in Security Condition 13.1 (*Definitions);*

"**Credit Index**" is as defined in Security Condition 6.2 (*Specific Buy Back Provisions*);

"**Credit Securities**" is as defined in Security Condition 1.1 (*Type)* and Credit Security Condition 13 *(Definitions)*;

"**Currency Event**" is as defined in Security Condition 13.1 *(Definitions)*;

"**Currency Securities**" is as defined in Security Condition 1.1 (*Type)*;

"**Current Remuneration Period**" is as defined in Security Condition 17.5(c);

"**Day Count Fraction**" is as defined in Security Condition 17.5(c), Security Condition 17.7 (*Issuer Call Option)*, Security Condition 22(n), in Formulas Condition 1.1 (kkk), in Formulas Condition 3.1(e) and in Formulas Condition 4.1(e);

"**Debt Instruments**" and "**Debt Instrument**" mean, subject to adjustment in accordance with Annex 5 (*Additional Terms and Conditions for Debt Securities*), in the case of an issue of Securities relating to a Basket of Debt Instruments, each debt instrument and, in the case of an issue of Securities relating to a single Debt Instrument, the debt instrument, specified in the applicable Final Terms and related expressions shall be construed accordingly;

"**Debt Securities**" is as defined in Security Condition 1.1 (*Type)*;

"**Delivery Date**" is as defined in Security Condition 21.4 (*Physical Delivery Certificates)*, in Commodity Security Condition 1 *(Definitions)* and Credit Security Condition 13 *(Definitions)*;

"**Deliverable Obligation**" is as defined in Credit Security Condition 13 (*Definitions*);

"**Disqualified Transferee**" is as defined in Security Condition 1.3 (*Transfers of Securities)*;

"**Disrupted Amount**" is as defined in Security Condition 4.7(vi);

"**Disrupted Day**" is as defined in Index Security Conditions 1 (*Definitions)*, in Share Security Condition 1 (*Definitions)*, in ETI Security Condition 1 (*Definitions)* in Debt Security Condition 11 (*Definitions)*, in Currency Security Condition 1 (Definitions) and in Futures Security Condition 1 (*Definitions*);

"**Disrupted Settlement Date**" is as defined in Security Condition 4.7(vi);

"**Dual Currency Certificates**" means the Certificates in relation to which Dual Currency Certificates is specified as being applicable in the Final Terms;

"**Early Settlement Entitlement**" is as defined in Security Condition 17.5 (c);

"**Early Closure**" is as defined in Index Security Condition 1 (*Definitions)*, Share Security Condition 1 (*Definitions)*, ETI Security Condition 1 (*Definitions)* and Futures Security Condition 1 (*Definitions*);

"**Entitlement**" means, in relation to a Physical Delivery Security, and an Underlying Reference or, as the case may be, a Component, the quantity of the Relevant Asset or the Relevant Assets, as the case may be, which a Securityholder is entitled to receive on the Settlement Date in respect of each such Security following payment of any sums payable and Expenses rounded down as provided in Security Condition 17.3 (*Physical Settlement*), as determined by the Calculation Agent including any documents evidencing such Entitlement which amount will be the Entitlement Amount specified in the applicable Final Terms or (in the case of a Credit Security) the relevant obligations and/or other assets as specified in the Credit Security Conditions).

"**Entitlement Amount**" means, in relation to a Physical Delivery Security, the amount specified in the applicable Final Terms or determined by the Calculation Agent in accordance with the following:

(a) If MFP Entitlement Amounts is specified as applicable in the applicable Final Terms, the amount determined in accordance with the Entitlement Amount Formulas set out in Annex 1 (*Additional Terms and Conditions relating to Formulas)*;

(b) Otherwise:

a. the Entitlement Units; multiplied by

b. the Entitlement Multiplier; multiplied by

c. in respect of any Underlying Reference constituted by a Basket, the relevant Weighting;

"**Entitlement Units**" is as defined in the applicable Final Terms;

"**Entitlement Multiplier**" is as defined in the applicable Final Terms;

"**Established Rate**" is as defined in Security Condition 15(b);

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

"**ETI Securities**" is as defined in Security Condition 1.1 (*Type)*;

"**Euroclear**" means Euroclear Bank SA/NV;

"**Euronext Dublin**" means the Irish Stock Exchange plc trading as Euronext Dublin;

"**Exchange Disruption**" is as defined in Index Security Condition 1 *(Definitions*), in Share Security Condition 1 (*Definitions*), ETI Security Condition 1 (*Definitions*) and Futures Security Condition 1 (*Definitions*);

"**Exchange Rate**" means the applicable rate of exchange indicate in the relevant Final Terms;

"**Exercise Business Day**" means:

(a) in the case of Cash Settled Securities, a day that is a Business Day; and

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

"**Exercise Date**" is as defined in the relevant Final Terms;

"**Expenses**" is as defined in Security Condition 9(a);

"**Extra-Yield**" is as defined in Security Condition 6.2 (*Specific Buy Back Provisions*);

"**Extraordinary External Event**" is as defined in Security Condition 13.1 (*Definitions*);

"**Failure to Deliver due to Illiquidity**" is as defined in Security Conditions 4.2 (*Failure to Deliver due to Illiquidity)* and Security Condition 13.1(*Definitions*);

"**Failure to Deliver Settlement Price**" is as defined in Security Condition 13.2;

"**Final Payout**" is as defined in Formulas Condition 1.1 (*Final Payouts Formulas*);

"**First Settlement Currency**" is the currency specified as such in the applicable Final Terms;

"**Fund Business Day**" is as defined in Fund Security Condition 1 (*Definitions*);

"**Fund Securities**" is as defined in Security Condition 1.1 (*Type)*;

"**Futures Instruments**" is as defined in Security Condition 6.2 (*Specific Buy Back Provisions*);

"**Future**" is as defined in Futures Security Condition 1 (*Definitions);*

"**Futures Securities**" is as defined in Security Condition 1.1 (*Type)*;

"**Index**" is as defined in Index Security Condition 1 (Definitions);

"**Index-Components Arbitrage**" is as defined in Security Condition 6.2 (*Specific Buy Back Provisions*);

"**FX Settlement Disruption Currency**" is as defined in Security Condition 4.7(vi);

"**FX Settlement Disruption Cut-off Date**" is as defined in Security Condition 4.7(ii)A;

"**FX Settlement Disruption Event**" is as defined in Security Condition 4.7(vi);

"**FX Settlement Disruption Exchange Rate**" is as defined in Security Condition 4.7(vi)

"**FX Settlement Disruption Expenses**" is as defined in Security Condition 4.7(vi);

"**FX Settlement Disruption Notice**" is as defined in Security Condition 4.7(vi);

"**GDR/ADR**" is as defined in Security Condition 1.1 (*Type)* and Share Security Condition 9 (*Definitions relating to GDR/ADR)*;

"**Government Authority**" is as defined in Security Condition 13.1 (*Definitions)*;

"**Guaranteed Cash Settlement Amount**" is as defined in Security Condition 2.2 (*Status of Guarantee*);

"**Hedge**" is as defined in Security Condition 13.1(a);

"**Hedging Disruption**" is as defined in Security Condition 13.1 (*Definitions)* and Credit Security Condition 13 (*Definitions)*;

"**Hedging Shares**" is as defined in Security Condition 13.1 (*Definitions)* and ETI Security Condition 1 (*Definitions*);

"**Hybrid Business Day**" has the meaning given to such term in the applicable Final Terms;

"**Hybrid Securities**" is as defined in Security Condition 1.1 (*Type)*;

"**Increased Cost of Hedging**" is as defined in Security Condition 13.1 (*Definitions*) and Credit Security Condition 13 (*Definitions*);

"**Increased Cost of Stock Borrow**" is as defined in Security Condition 13.1 (*Definitions)*;

"**Index Securities**" is as defined in Security Condition 1.1 (*Type)*;

"**Inflation Index Securities**" is as defined in Security Condition 1.1(*Type)*;

"**Initial Stock Loan Rate**" is as defined in Security Condition 13.1 *(Definitions*)*;*

"**Insolvency Filing**" is as defined in Security Condition 13.1 *(Definitions*)*;*

"**Intervening Period**" is as defined in Security Condition 4.4 (*Intervening Period)*;

"**ISDA Definitions**" is as defined in Security Condition 22(n);

"**Issue Date**" is as defined in the relevant Final Terms;

"**Issue Price**" is as defined in the relevant Final Terms;

"**Italian Bail-in Power**" is as defined in Security Condition 13.1 (*Definitions);*

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

"**Italian Listed Securities**" means Securities in respect of which the applicable Final Terms state that an

application will be made or has been made to admit such Securities to trading on the Italian Stock Exchange or the Multilateral Trading Facility (the "**EuroTLX**"), organised and managed by EuroTLX Sim S.p.A., as the case may be, and the expression "**Italian Listed Certificates**" shall be construed accordingly;

"**Italian Stock Exchange**" means the Multilateral Trading Facility of securitised derivatives financial instruments (the "**SeDeX**"), organised and managed by Borsa Italiana S.p.A.;

"**Jurisdiction Event**" is as defined in Security Condition 13.1 *(Definitions)*;

"**Knock-in Determination Day**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event)*;

"**Knock-in Determination Period**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event)*;

"**Knock-in Event**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event)*;

"**Knock-in Level**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event)*;

"**Knock-in Period Beginning Date**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event)*;

"**Knock-in Period Ending Date**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event)*;

"**Knock-in Range Level**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event)*;

"**Knock-in Valuation Time**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event)*;

"**Knock-out Determination Day**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event)*;

"**Knock-out Determination Period**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event)*;

"**Knock-out Event**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event)*;

"**Knock-out Level**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event)*;

"**Knock-out Period Beginning Date**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event)*;

"**Knock-out Period Ending Date**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event)*;

"**Knock-out Range Level**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event)*;

"**Knock-out Valuation Time**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event)*;

"**Level**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event)*;

"**Linked Remuneration Amount Certificates**" is as defined in Security Condition 22 (*Remuneration);*

"**Local Currency**" is as defined in Security Condition 13.1 *(Definitions)*;

"**Loss of Stock Borrow**" is as defined in Security Condition 13.1 *(Additional Disruption Events And Optional Additional Disruption Events)* and ETI Security Condition 1 *(Definitions)*;

"**Luxembourg Bail-in Power**" is as defined in Security Condition 13.1 (*Definitions);*

"**Market Disruption Event**" is as defined in Index Security Condition 2 *(Market Disruption)*, in Share Security Condition 2 (*Market Disruption)*, ETI Security Condition 2 (*Market Disruption*), Debt Security Condition 3 (*Market Disruption*), Commodity Security Condition 1 (*Market Disruption*) and Futures Security Condition 2 (*Market Disruption*);

"**Market Value**" is as defined in Security Condition 6.2 (*Specific Buy Back Provisions*);

"**Maximum Amount**" is as defined in the applicable Final Terms;

"**Minimum Amount**" is as defined in the applicable Final Terms;

"**Maximum Stock Loan Rate**" is as defined in Security Condition 13.1 (*Definitions*) and ETI Security Condition 1 (*Definitions)*;

"**Monte Titoli Accountholder**" means any authorised financial intermediary institution entitled to hold accounts on behalf of their customers with Monte Titoli which has credited to its securities account with Monte Titoli one or more entries in respect of the Securities held in book-entry form (except for Monte Titoli in its capacity as an accountholder of another Clearing System);

"**National Currency Unit**" is as defined in Security Condition 15(b);

"**Non-Approval Event**" is as defined in Security Condition 13.1 (*Definitions)*

"**Notional Amount**" is as defined in the relevant Final Terms;

"**Observation Date**" means:

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

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

(b) in the case of Open End Certificates, the date designated as such by the Issuer, provided that such date is determined by the Issuer and notified to the Securityholders in accordance with Security Condition 8 (*Notices*) at the latest on the tenth (10th) Business Day preceding the contemplated Observation Date;

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

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

"**Optional Additional Disruption Event**" is as defined in Security Condition 13.1 *(Definitions)*;

"**Optional Cash Settlement Amount (Call)**" is as defined in Security Condition 17.7 (*Issuer Call Option)*;

"**Optional Cash Settlement Amount (Put)**" is as defined in Security Condition 17.8 (*Securityholders Put Option)*

"**Optional Condition Cash Settlement Amount (Call)**" is as defined in Security Condition 17.7 (*Issuer Call Option)*;

"**Optional Condition Settlement Date (Call)**" means, if the Call Option Condition is applicable, the day specified in the relevant Final Terms on which, upon the occurrence of the Call Option Condition, the Issuer may early settle the relevant Certificates;

"**Optional Settlement Date (Call)**" means, if the Call Option is applicable, the Business Day specified in the relevant Final Terms and/or specified in the relevant Call Option Exercise Notice and/or determined in accordance with the relevant Final Terms, on which the Issuer may early settle the relevant Certificates;

"**Optional Settlement Date (Put)**" means, if a Put Option has been exercised by the relevant Securityholder, the Business Day specified as indicated in Security Condition 17.8 (*Securityholders Put Option)*, on which the Issuer may early settle the relevant Certificates;

"**Original Currency**" is as defined in Security Condition 15(a)(ii);

"**Put Option**" means, if the Put Option is applicable in relation to the Securities, if so specified in the relevant Final Terms, the option which can be irrevocably exercised by the Securityholder during the Put Option Exercise Notice Period(s) specified in the applicable Final Terms pursuant to Security Condition 17.8 (*Securityholders Put Option*);

"**Put Option Exercise Notice**" is as defined in 17.8 (*Securityholders Put Option*);

"**Put Option Exercise Notice Period**" means, if the Put Option is applicable in relation to the Securities, if so specified in the relevant Final Terms, the period – as indicated in the Final Terms – within which the Securityholder shall exercise, in accordance with Security Condition 17.8 (*Securityholders Put Option*) below, the Put Option;

"**Put Payout**" is as defined in Final Payouts Formulas Condition 3.1 (*Securityholder Put Option Payouts Formulas*);

"**Reference Banks**" is as defined in Security Condition 22 (n);

"**Reference Rate Determination Agent**" is as defined in Security Condition 22 (m);

"**Rejection Event**" is as defined in Security Condition 13.1 (*Definitions);*

"**Relevant Adjustment Provisions**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event*) Security Condition 17.5 (*Automatic Early Settlement*) and Security Condition 22(n);

"**Relevant Asset**" means the asset or assets specified in the Final Terms that constitute the Entitlement;

"**Relevant Authority**" is as defined in Security Condition 13.1 (*Definitions);*

"**Relevant Currency**" is as defined in Security Condition 4.7 (vi);

"**Relevant Price**" is as defined in Commodity Security Condition 1 (*Definitions);*

"**Remuneration Amount**" is as defined in Security Condition 22(n);

"**Remuneration Determination Date**" is as defined in Security Condition 22(b)(iv), Security Condition 22(c)(iii), and Security Condition 22(n);

"**Remuneration Payment Date (s)**" is as defined in Security Condition 22(n);

"**Remuneration Period**" is as defined in Security Condition 22 (n)

"**Remuneration Rate**" is as defined in Security Condition 22 (n);

"**Remuneration Valuation Date(s)**" has the meaning specified in the applicable Final Terms;

"**Replacement Reference Rate**" is as defined in Security Condition 22 (m);

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

"**Scheduled Trading Day**" is as defined in Index Security Condition 1 (*Definitions)*, in Share Security Condition 1 (*Definitions*), in ETI Security Condition 1 *(Definitions*), in Commodity Security Condition 1 (*Definitions*), in Currency Security Condition 1 (*Definitions)*, in Futures Security Condition 1 (*Definitions*), in Fund Security Condition 1 (*Definitions)* and in Debt Security Condition 11 *(Definitions*).

"**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;

"**Second Settlement Currency**" is the currency specified as such in the applicable Final Terms;

"**Securities Act**" means the U.S. Securities Act of 1933, as amended;

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

"**Settlement Currency Barrier Condition**" means that the Settlement Price (as defined in Currency Security Condition 4 – *Settlement Price*) on the relevant Settlement Price Date is (a) less than, (b) less than or equal to, (c) greater than, (d) greater than or equal to, as specified in the applicable Final Terms, the Settlement Currency Barrier Rate specified in the applicable Final Terms.

"**Settlement Currency Barrier Rate**" is the rate specified as such in the applicable Final Terms

"**Settlement Date**" means, unless specified otherwise in the applicable Final Terms:

(a) in relation to Cash Settled Securities:

(i) where Averaging is not specified in the applicable Final Terms, the nth Business Day following the Valuation Date indicated in the applicable Final Terms provided that if the Securities relate to a Basket and the occurrence of a Disrupted Day has resulted in a Valuation Date for one or more Components 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 Component; or

(ii) where Averaging is specified in the applicable Final Terms, the fifth Business Day following the last occurring Averaging Date provided that where the Securities relate to a Basket and the occurrence of a Disrupted Day has resulted in an Averaging Date for one or more Components 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 Component, or such other date as is specified in the applicable Final Terms; and

(b) in relation to Physical Delivery Securities, the date specified as such in the applicable Final Terms;

"**Settlement Disruption Event**" is as defined in Security Condition 4.1 (*Settlement Disruption)*;

"**Settlement Disruption Amount**" is as defined in Security Condition 4.1 (*Settlement Disruption)*;

"**Settlement Valuation Date**"has the meaning specified in the applicable Final Terms;

"**Share Securities**" is as defined in Security Condition 1.1 (*Type)*;

"**Significant Alteration Event**" is as defined in Security Condition 13.1 (*Definitions);*

"**Specified Maximum Days of Disruption**" means the number of Scheduled Trading Days specified in the applicable Final Terms;

"**SRM Regulation**" is as defined in Security Condition 13.1 (*Definitions);*

"**Stop-Loss Event**" is as defined in Security Condition 13.1 (*Definitions);*

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

(a) where the Securities are Index Securities relating to a single Index (other than a Component Security Index), Share Securities relating to a single Share, ETI Securities relating to a single ETI Interest, Debt Securities relating to a single Debt Instrument or Futures Securities relating to a single Future, the 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, (A) 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 (B) the Calculation Agent shall determine the relevant level or price:

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

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

(b) in the case of Index Securities relating to a single Component Security Index, the Calculation Agent shall determine the relevant level for such Component Security Index using the formula for and method of calculating such Component Security Index last in effect prior to the occurrence of the first Disrupted Day using:

(i) in respect of each Component Security not affected by a Market Disruption Event on the Scheduled Strike Date, the exchange traded or quoted price of such Component Security as of the Valuation Time on the Scheduled Strike Date; and

(ii) in respect of each Component Security affected (each, an "**Affected Component Security**") by a Market Disruption Event on the Scheduled Strike Date, the exchange traded or quoted price for each Affected Component Security on the first succeeding Scheduled Trading Day on which no Market Disruption Event occurs or is continuing with respect to the Affected Component Security, 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 day on which a Market Disruption Event occurs or is continuing with respect to the Affected Component Security, in which case, the Calculation Agent shall determine the value, amount, level or price of the Affected Component Security using its good faith estimate of the value, amount, level or price of the relevant Affected Component Security as of the Valuation Time on the last such consecutive Scheduled Trading Day; and

the Strike Date shall be deemed to be the earliest date on which the Calculation Agent determines the level of the Component Security Index in accordance with the above provisions.

(c) in the case of Index Securities relating to a Basket of Indices (other than a Basket of Component Security Indices), Share Securities relating to a Basket of Shares, ETI Securities relating to an ETI Basket, Debt Securities relating to a Basket of Debt Instruments or Futures Securities relating to a Basket of Futures, the Strike Date for each Index, Share, ETI Interest, Debt Instrument or Future, as the case may be, not affected by the occurrence of a Disrupted Day shall be the Scheduled Strike Date and the Strike Date for each Index, ETI Interest, Share, Debt Instrument or Future affected, as the case may be (each an "**Affected Item**"), by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Item unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled 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 value, level, price or amount using, in relation to the Affected Item:

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

(ii) in the case of a Share, ETI Interest, Debt Instrument or Future, its good faith estimate of the value, level, price or amount for the Affected Item as of the Valuation Time on the last such consecutive Scheduled Trading Day; or

(d) in the case of Index Securities relating to a Basket of Component Security Indices, the Strike Date for each Component Security Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Strike Date, and for each Component Security Index affected (an "**Affected Item**") by the occurrence of a Disrupted Day, the Calculation Agent shall determine the level of that Component Security Index using the formula for and method of calculating that Component Security Index last in effect prior to the occurrence of the first Disrupted Day, using:

(i) in respect of each Component Security not affected by a Market Disruption Event on the Scheduled Strike Date, the exchange traded or quoted price of such Component Security as of the Valuation Time on the Scheduled Strike Date; and

(ii) in respect of each Component Security affected (each, an "**Affected Component Security**") by a Market Disruption Event on the Scheduled Strike Date, the exchange traded or quoted price for each Affected Component Security on the first succeeding Scheduled Trading Day on which no Market Disruption Event occurs or is continuing with respect to the Affected Component Security, 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 day on which a Market Disruption Event occurs or is continuing with respect to the Affected Component Security, in which case, the Calculation Agent shall determine the value, amount, level or price of such Affected Component Security using its good faith estimate of the value, amount, level or price of the relevant Affected Component Security as of the Valuation Time on the last such consecutive Scheduled Trading Day; and

the Strike Date shall be deemed to be the earliest date on which the Calculation Agent can determine the level of the Component Security Index in accordance with the above provisions; or

(e) in the case of Commodity Securities, the Initial Pricing Date; or

(f) in the case of Underlying Interest Rate Securities, the Strike Date specified as such in the applicable Final Terms;

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

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

"**Substitute Asset**" and "**Substitute Assets**" is as defined in Security Condition 4.5 (*Issuer's Option to Substitute Assets or to pay the Alternate Cash Amount);*

"**Substitute Share**" is as defined in Security Condition 13.2(c) and Share Security Condition 5.2(e);

"**Substitution Date**" is as defined in Security Condition 13.2, Credit Security Condition 13 (*Definitions),* Commodity Security Condition 3(b), Share Security Condition 5.2(e), ETI Security Condition 6.2(b);

"**Suspension/Withdrawal Event**" is as defined in Security Condition 13.1 (*Definitions);*

"**Trading Disruption**" is as defined in Index Security Condition 1 (*Definitions*) and in Share Security Condition 1 (*Definitions),* ETI Security Condition 1 (*Definitions*), Commodity Security Condition 1 (*Definitions*) and Futures Security Condition 1 (*Definitions*).

"**Underlying Reference**" is as defined in OET Certificate Condition 1 (*Definitions*), Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event),* Security Condition 17.5 (*Automatic Early Settlement*), and Security Condition 17.7 (*Issuer Call Option),* Formulas Condition 7 *(General Formulas Definitions*) Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Payout Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*);

"**Underlying Reference Level**" is as defined in Security Conditions 17.5 (c) and Formulas Condition 7 *(General Formulas Definitions*);

"**Underlying Transactions**" is as defined in Security Condition 6.2 (*Specific Buy Back Provisions*);

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

"**Valuation Date**" means:

(a) in the case of Index Securities, Share Securities, ETI Securities, Debt Securities or Futures Securities, unless otherwise specified in the applicable Final Terms, the Remuneration Valuation Date(s) and/or the Settlement 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 unless, in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day, then:

(i) where the Certificates are Index Securities relating to a single Index (other than a Component Security Index), Share Securities relating to a single Share, ETI Securities relating to a single ETI Interest, Debt Securities relating to a single Debt Instrument or Futures Securities relating to a single Future, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day. In that case, (A) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (B) the Calculation Agent shall determine the relevant value, level, price or amount:

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

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

(ii) in the case of Index Securities relating to a single Component Security Index, the Calculation Agent shall determine the relevant level for such Component Security Index using the formula for and method of calculating such Component Security Index last in effect prior to the occurrence of the first Disrupted Day using:

(I) in respect of each Component Security not affected by a Market Disruption Event on the Scheduled Valuation Date, the exchange traded or quoted price of such Component Security as of the Valuation Time on the Scheduled Valuation Date; and

(II) in respect of each Component Security affected (each, an "**Affected Component Security**") by a Market Disruption Event on the Scheduled Valuation Date, the exchange traded or quoted price for each Affected Component Security on the first succeeding Scheduled Trading Day on which no Market Disruption Event occurs or is continuing with respect to the

Affected Component Security, 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 day on which a Market Disruption Event occurs or is continuing with respect to the Affected Component Security, in which case, the Calculation Agent shall determine the value, amount, level or price of such Affected Component Security using its good faith estimate of the value, amount, level or price of the relevant Affected Component Security as of the Valuation Time on the last such consecutive Scheduled Trading Day; and

the Valuation Date shall be deemed to be the earliest date on which the Calculation Agent determines the level of the Component Security Index in accordance with the above provisions; or

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

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

(II) in the case of a Share, ETI Interest, Debt Security or Future, its good faith estimate of the value, level, price or amount for the Affected Item as of the Valuation Time on that last such consecutive Scheduled Trading Day; or

(iv) in the case of Index Securities relating to a Basket of Component Security Indices, the Valuation Date for each Component Security Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and for each Component Security Index affected (an "**Affected Item**") by the occurrence of a Disrupted Day, the Calculation Agent shall determine the level of that Component Security Index using the formula for and method of calculating that Component Security Index last in effect prior to the occurrence of the first Disrupted Day, using:

(I) in respect of each Component Security not affected by a Market Disruption Event on the Scheduled Valuation Date, the exchange traded or quoted price of such Component Security as of the Valuation Time on the Scheduled Valuation Date; and

(II) in respect of each Component Security affected (each, an "**Affected Component Security**") by a Market Disruption Event on the Scheduled Valuation Date, the exchange traded or quoted price for each Affected Component Security on the first succeeding Scheduled Trading Day on which no Market Disruption Event occurs or is continuing with respect to the Affected Component Security, 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 day on which a Market Disruption Event occurs or is continuing with respect to the Affected Component Security, in which case, the Calculation Agent shall determine the value, amount, level or price of such Affected Component Security using its good faith estimate of the value, amount, level or price of the relevant Affected Component Security as of the Valuation Time on the last such consecutive Scheduled Trading Day; and

the Valuation Date shall be deemed to be the earliest date on which the Calculation Agent determines the level of the Component Security Index in accordance with the above provisions; or

(b) in the case of Open End Certificates and for the purposes of the "Exercise, Valuation and Settlement" set out in the applicable Final Terms, the date designated as the Settlement Valuation Date by the Issuer, provided that such date is determined by the Issuer and notified to the Securityholders in accordance with Security Condition 8 (*Notices)* at the latest on the tenth (10th) Business Day preceding the contemplated Settlement Valuation Date; and

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

and otherwise in accordance with the above provisions; and

"**Valuation Time**" means:

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

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

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

"**Weighting**" means in respect of any Component comprised in a Basket, the percentage specified in the Final Terms.

4. PHYSICAL DELIVERY PROVISIONS

4.1. *Settlement Disruption*

If, following the exercise of Physical Delivery Securities, in the opinion of the Calculation Agent, delivery of the Entitlement using the method of delivery specified in the applicable Final Terms is not practicable by reason of a Settlement Disruption Event (as defined below) having occurred and continuing on any Delivery Date then such Delivery Date for such Securities shall be postponed to the first following Settlement Business Day in respect of which there is no such Settlement Disruption Event, provided that the relevant Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Security 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 relevant 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 relevant Issuer may elect in its sole discretion to satisfy and discharge its obligations in respect of the relevant Security by payment to the relevant Securityholder of the Settlement Disruption Amount (as defined below) up to the 5th Business Day following the date that notice of such election is given to the Securityholders in accordance with Security Condition 8 (*Notices*). Payment of the Settlement Disruption Amount will be made in such manner as shall be notified to the Securityholders in accordance with Security Condition 8 (*Notices*).The Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with Security Condition 8 (*Notices*) that a Settlement Disruption Event has occurred provided that any failure to give, or non-receipt of, such notice will not affect the validity of any such Settlement Disruption Event. No Securityholder shall be entitled to any payment in respect of the relevant Security 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 relevant Issuer or the Guarantor, if any.

For the purposes hereof:

"**Settlement Disruption Amount**" in respect of any relevant Security shall be the fair market value of such Security (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, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the relevant Issuer and/or any of its Affiliates or agents of unwinding any underlying related hedging arrangements (including any cost of funding in respect of such hedging arrangements), all as determined by the relevant Issuer acting in good faith and in a commercially reasonable manner (or, whereas provided above some Relevant Assets have been delivered and a *pro rata* portion thereof has been paid, such *pro rata* portion); and

"**Settlement Disruption Event**" means, in the opinion of the Calculation Agent, or, if the provision of Security Condition 2.2 (*Status of Guarantee*) applies, the Guarantor, an event beyond the control of the relevant Issuer or, if the provision of Security Condition 2.2 (*Status of Guarantee*) applies, the Guarantor, as a result of which the relevant Issuer or the Guarantor cannot make delivery of the Relevant Asset(s) using the method specified in the applicable Final Terms.

4.2. *Failure to Deliver due to Illiquidity*

"**Failure to Deliver due to Illiquidity**", if specified as applicable in the applicable Final Terms, will be an Optional Additional Disruption Event, as described in Security Condition 13.1 *(Definitions)*.

4.3. *Issuer`s Option to vary Settlement*

If the applicable Final Terms indicates that the relevant Issuer has an option to vary settlement in respect of the Securities, upon a valid exercise of Securities in accordance with these Conditions, the relevant Issuer may, in respect of each such Security, elect not to pay the relevant Securityholders the Cash Settlement Amount or not to deliver or procure delivery of the Entitlement to the relevant Securityholders, 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 Securityholders, as the case may be. Notification of such election will be given to Securityholders no later than 10.00 a.m. (Luxembourg time) on the second Business Day following the Exercise Date in accordance with Security Condition 8 (*Notices*) and/or, at the option of the relevant Issuer, if applicable, in accordance with the contact details for a Securityholder specified in its Physical Delivery Confirmation Notice.

4.4. *Intervening Period*

For such period of time after the Settlement Date as the Issuer or any person other than the relevant Securityholder shall continue to be the legal owner of the securities or Deliverable Obligations, obligations and/or other assets comprising the Entitlement (the "**Intervening Period**"), neither the relevant Issuer, the Guarantor nor any other person shall (i) be under any obligation to deliver or procure delivery to any Securityholder any letter, certificate, notice, circular or any other document or payment whatsoever received by that person in respect of such securities, obligations, assets or Deliverable Obligations, or (ii) be under any obligation to exercise or procure exercise of any or all rights (including voting rights) attaching to such securities, obligations, assets or Deliverable Obligations during the Intervening Period or (iii) be under any liability to a Securityholder in respect of any loss or damage which such Securityholder 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, assets or Deliverable Obligations.

4.5. *Issuer's Option to Substitute Assets or to pay the Alternate Cash Amount*

Unless Issuer's Option to Substitute is specified as not applicable in the applicable Final Terms, following a valid settlement of Securities in accordance with these Conditions, the Issuer may in respect of such Securities, if the Calculation Agent determines (acting in good faith and in a commercially reasonable manner) that the Relevant Asset or Relevant Assets, as the case may be, comprise(s) shares or interests in ETIs which are not freely tradable, elect either (a) to substitute for the Relevant Asset or the Relevant Assets, as the case may be, an equivalent value (as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner) of such other shares or interests in ETIs which the Calculation Agent determines, acting in good faith and in a commercially reasonable manner, are freely tradable (the "**Substitute Asset**" or the "**Substitute Assets**", as the case may be) or (b) not to deliver or procure the delivery of the Entitlement or the Substitute Asset or Substitute Assets, as the case may be, to the relevant Securityholders, but in lieu thereof to make payment to the relevant Securityholders on the Settlement Date of an amount equal to the fair market value of the Entitlement on the Settlement Valuation Date as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner by reference to such sources as it considers appropriate (the "**Alternate Cash Amount**"). Notification of any such election will be given to Securityholders in accordance with Security Condition 8 (*Notices*).

For the purposes hereof, a "**freely tradable**" share or interest in an ETI shall mean (i) with respect to the United States, a share or interest in an ETI, as the case may be, which is registered under the Securities Act or not restricted under the Securities Act and which is not purchased from the issuer of such share or interest in an ETI,

as the case may be, and not purchased from an Affiliate of the issuer of such share or interest in an ETI, as the case may be, or which otherwise meets the requirements of a freely tradable share or interest in an ETI, as the case may be, for purposes of the Securities Act, in each case, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner or (ii) with respect to any other jurisdiction, a share or interest in an ETI, as the case may be, not subject to any legal restrictions on transfer in such jurisdiction.

4.6. Commodity Securities shall not be Physical Delivery Securities.

4.7. *FX Settlement Disruption Event*

If (a) FX Settlement Disruption Event Determination is specified as applicable in the applicable Final Terms and the Calculation Agent determines that the FX Settlement Disruption Event is not attributable to the relevant Issuer, but substantially alters the economics of the Securities compared to the economics as of the Issue Date and the Settlement Currency specified in the applicable Final Terms is a Relevant Currency or (b) if FX Settlement Disruption Event Determination is not specified as applicable in the applicable Final Terms and the Settlement Currency specified in the applicable Final Terms is a Relevant Currency, "FX Settlement Disruption" will apply, and:

(i) If on the second Business Day prior to the Disrupted Settlement Date, the Calculation Agent (acting in good faith and in a commercially reasonable manner) determines that a FX Settlement Disruption Event has occurred and is subsisting, the relevant Issuer shall give notice (a "**FX Settlement Disruption Notice**") to the Securityholders in accordance with Security Condition 8 (*Notices*) as soon as reasonably practicable thereafter and, in any event, prior to the due date for payment of the relevant Disrupted Amount as the case may be.

(ii) Following the occurrence of a FX Settlement Disruption Event:

A. the date for payment of the relevant Disrupted Amount will be postponed to (a) the second Business Day following the date on which the Calculation Agent determines that a FX Settlement Disruption Event is no longer subsisting or if earlier (b) the date falling thirty calendar days following the Settlement Date or other scheduled date for payment, as applicable, of the relevant Disrupted Amount (the "**FX Settlement Disruption Cut-off Date**") which, for the avoidance of doubt, may be later than the scheduled Settlement Date; and

B. (i) in the case of A(a) above, the relevant Issuer will pay or cause to be paid the relevant Disrupted Amount, less (unless FX Settlement Disruption Expenses are indicated as not applicable in the relevant Final Terms) FX Settlement Disruption Expenses (if any), in the Settlement Currency or (ii) in the case of A(b) above, in lieu of paying the relevant Disrupted Amount in the Settlement Currency, the Issuer will, subject to sub-paragraph (iii) below, convert the relevant Disrupted Amount into the FX Settlement Disruption Currency (using the FX Settlement Disruption Exchange Rate determined by the Calculation Agent for the relevant Disrupted Settlement Date) and will pay or cause to be paid the relevant Disrupted Amount, less (unless FX Settlement Disruption Expenses are indicated as not

applicable in the relevant Final Terms) FX Settlement Disruption Expenses (if any), in the FX Settlement Disruption Currency on the FX Settlement Disruption Cut-off Date;

(iii) If sub-paragraph (ii) A(b) applies, the Calculation Agent will determine the FX Settlement Disruption Exchange Rate acting in good faith and in a commercially reasonable manner in accordance with the following procedures:

A. the FX Settlement Disruption Exchange Rate shall be 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 Settlement Currency/FX Settlement Disruption Currency exchange rates provided by two or more leading dealers on a foreign exchange market (as selected by the Calculation Agent) on such day; or

B. if fewer than two leading dealers provide the Calculation Agent with bid and offer Settlement Currency/FX Settlement Disruption Currency exchange rates on such day, the Calculation Agent shall determine the FX Settlement Disruption Exchange Rate acting in good faith and in a commercially reasonable manner.

(iv) For the avoidance of doubt:

A. No Remuneration Period will be adjusted as a result of the postponement of any remuneration payment pursuant to this Security Condition 4.7; and

B. No additional remuneration will be payable in respect of any postponement of the relevant due date for payment.

(v) For the avoidance of doubt, nothing contained in this Security Condition 4.7 shall prevent the Issuer from determining that an Additional Disruption Event and/or Optional Additional Disruption Event has occurred, in which case, the provisions of Security Condition 13 (A*dditional Disruption Events and Optional Additional Disruption Events)* shall prevail in the event of any conflict between this Security Condition 4.7 and Security Condition 13 *(Additional Disruption Events and Optional Additional Disruption Events)* .

(vi) For these purposes:

"**Disrupted Amount**" means any Cash Settlement Amount, Remuneration Amount or other amount payable;

"**Disrupted Settlement Date**" means the Settlement Date or any other due date for payment;

"**FX Settlement Disruption Currency**" means USD;

"**FX Settlement Disruption Event**" means the occurrence of an event which makes it unlawful, impossible or otherwise impracticable to pay the relevant Disrupted Amount in the Settlement Currency on the scheduled Settlement Date or other date for payment;

"**FX Settlement Disruption Exchange Rate**" means the rate of exchange between the Settlement Currency (as specified in the applicable Final Terms) and the FX Settlement Disruption Currency, determined by the Calculation Agent in accordance with the provisions of sub-paragraph (iii) above;

"**FX Settlement Disruption Expenses**" means the sum of (i) the cost to the Issuer and/or its affiliates of unwinding any hedging arrangements related to the Securities and (ii) any transaction, settlement or other costs and expenses arising directly out of the occurrence of a FX Settlement Disruption Event or the related payment of the Disrupted Amount, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner;

"**Relevant Currency**" means each of Emirati Dirhams ("**AED**"), Argentinian Pesos ("**ARS**"), Australian Dollars ("**AUD**"), Bermudan Dollars ("**BMD**"), Bulgarian Leva ("**BGN**"), Bahraini Dinars ("**BHD**"), Botswana Pula ("**BWP**"), Brazilian Reais ("**BRL**"), Canadian Dollars ("**CAD**"), Swiss Francs ("**CHF**"), Chilean Pesos ("**CLP**"), Chinese Yuan ("**CNY**"), Czech Republic Korun ("**CZK**"), Danish Kroner ("**DKK**"), Great British Pounds ("**GBP**"), Ghanian Cedis ("**GHS**"), Hong Kong Dollars ("**HKD**"), Croatian Kuna ("**KRJ**"), Hungarian Forints ("**HUF**"), Indonesian Rupiah ("**IDR**"), Israeli Shekels ("**ILS**"), Icelandic Krónur ("**ISK**"), Jordanian Dinars ("**JOD**"), Japanese Yen ("**JPY**"), Kenyan Shillings ("**KES**"), Kuwaiti Dinars ("**KWD**"), Kazakhstani Tenges ("**KZT**"), Lebanese Pounds ("**LBP**"), Moroccan Dirhams ("**MAD**"), Mauritian Rupees ("**MUR**"), Mexican Pesos ("**MXN**"), Malaysian Ringgits ("**MYR**"), Namibian Dollars ("**NAD**"), Nigerian Naira ("**NGN**"), Norwegian Kroner ("**NOK**"), New Zealand Dollars ("**NZD**"), Omani Riyals ("**OMR**"), Peruvian Nuevos Soles ("**PEN**"), Philippine Pesos ("**PHP**"), Polish Zloty ("**PLN**"), Qatari Riyals ("**QAR**"), Romanian Lei ("**RON**"), Russian Roubles ("**RUB**"), Saudi Riyals ("**SAR**"), Swedish Kronor ("**SEK**"), Singaporean Dollars ("**SGD**"), Thai Baht ("**THB**"), Tunisian Dinars ("**TND**"), Turkish Lire ("**TRY**") and South African Rand ("**ZAR**"); and

"**USD**" means the lawful currency of the United States of America.

4.8. *General*

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

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

In making any election, modification, determination or adjustment, the Issuer or the Calculation Agent, as applicable, will act in good faith and in a commercially reasonable manner, to preserve or restore the economics of the agreed terms, as far as reasonably practicable. Any such election, modification, determination or adjustment shall not create a significant imbalance between the rights and obligations of the Issuer compared to the Securityholders, to the detriment of the Securityholders.

If Essential Trigger is specified as applicable in the applicable Final Terms, the Issuer or the Calculation Agent, as the case may be, may only modify or adjust the terms of the Securities (other than modifications or adjustments that do not relate to essential characteristics of the Securities) or settle the Securities prior to their

scheduled Settlement Date, as described in the Conditions, following an event or circumstance (or combination of events or circumstances) that (a) is not attributable to the Issuer that significantly alters the economics of the Securities compared to the economics as of the Issue Date, or (b) constitutes a *force majeure*.

For the purpose of this Security Condition, "**essential characteristics**" of the Securities means characteristics of the Securities that are considered essential to the Securityholders generally, including without limitation the yield (coupon structure), the Underlying Reference, the principal protected amount (if any), the identity of the Issuer and of the Guarantor and the scheduled Settlement Date.

The Issuer shall be under no obligation to register or procure the registration of any Securityholder or any other person as the registered holder in respect of any securities, obligations, assets or Deliverable Obligations comprised in any Entitlement in the register of, as the case may be, *inter alia*, (i) members of the relevant Share Company as defined in Share Security Condition 1 (*Definitions*) or Fund (if any) or (ii) bondholders of the relevant obligor.

5. ILLEGALITY AND FORCE MAJEURE

If the relevant Issuer determines that the performance of its obligations under the Securities or that any arrangements made to hedge the relevant Issuer's obligations under the Securities have become (i) illegal in whole or in part for any reason, or (ii) by reason of a *force majeure* event (such as an act of God, fire, flood, severe weather conditions, or a labour dispute or shortage) or an act of state occurring after the Trade Date, impossible or impracticable the relevant Issuer may settle the Securities by giving notice to Securityholders in accordance with Security Condition 8 (*Notices*).

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

If the relevant Issuer settles the Securities pursuant to an illegality then the relevant Issuer will, if and to the extent permitted by applicable law, pay an amount to each Securityholder in respect of each Security held by such holder, which amount shall be equal to the fair market value of a Security, notwithstanding such illegality less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the relevant Issuer and/or any of its Affiliates or agents of unwinding any underlying related hedging arrangements (including any cost of funding in respect of such hedging arrangements) all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner. Payment will be made in such manner as shall be notified to the Securityholders in accordance with Security Condition 8 (*Notices*).

If the relevant Issuer settles the Securities by reason of a *force majeure* event or an act of state, then the relevant Issuer will, if and to the extent permitted by applicable law, pay an amount to each Securityholder in respect of each Security held by such holder, which amount shall be equal to the fair market value of a Security, taking into account the applicable *force majeure* event or act of state, as the case may be, less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the relevant Issuer and/or any of its Affiliates or agents of unwinding any underlying related hedging arrangements (including any cost of funding in

respect of such hedging arrangements) all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner. Payment will be made in such manner as shall be notified to the Securityholders in accordance with Security Condition 8 (*Notices*).

6. PURCHASES AND CANCELLATION

6.1 *Purchases and cancellation*

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

6.2 *Specific Buy Back Provisions*

If the Specific Buy Back Provisions are specified as being applicable to the Securities in the relevant Final Terms, prior to the Exercise Date the value of the Securities shall reflect and shall be calculated on the basis of the Market Value of the Underlying Transactions. Each of the Issuers may, from time to time, calculate the price of the Certificates on the basis of the Market Value of such Underlying Transactions and, without prejudice to its obligation to pay any amounts due and to perform any non-cash delivery obligations relating to the Certificates, in the event that an investor requests each of the Issuers to repurchase the Securities hold by it prior to their maturity, and each of the Issuers accepts such repurchase, the price of the Certificates ("**Buy Back Price**") will be determined taking into consideration the Market Value of such Underlying Transactions.

The Specific Buy Back Provisions shall apply only to (i) Securities issued by Mediobanca and/or Mediobanca International and where Mediobanca and/or Mediobanca International act as Dealers, and (ii) where the Notional Amount of the Securities is equal to at least Euro 100,000 or its equivalent amount in the Specified Currency.

In addition, if the Specific Buy Back Provisions is specified as being applicable to the Securities in the relevant Final Terms, the Issuer shall pay an additional remuneration (the "**Extra-Yield**") on the Securities. More information on the composition of the remuneration (*unbundling*) may be published by each of the Issuers from time to time together with the composition of the Underlying Transactions as described below.

In this Security Condition 6.2

"**Buy-Back Price**" means the repurchase price of the Securities to be calculated by Mediobanca and/or Mediobanca International, acting in its capacity as Calculation Agent with respect to the Securities, on the basis of the Market Value of the Underlying Transactions.

"**Market Value**" means the close-out amount of the Underlying Transactions, including the relevant bid/ask prices for all the Securities, as determined by Mediobanca and/or Mediobanca International, acting in its capacity as Calculation Agent with respect to the Certificates, in a fair and commercially reasonable manner.

"**Underlying Transactions**" means any of the following funded or unfunded arbitrage-like financial transactions: (i) Cash-CDS Arbitrage, (ii) Index-Components Arbitrage, and/or (iii) Cash and Carry Arbitrage, where:

"**Cash-CDS Arbitrage**" means:

Long (Short): Cash Instrument + Short (Long): Replicating CDS

where :

"**Cash Instrument**" means any debt obligation (including any obligation issued by Mediobanca or Mediobanca International) or basket of debt obligations, with maturities and notionals potentially larger, respectively, than the Settlement Date and Notional Amount of the relevant Securities;

"**Replicating CDS**" means a credit default swap transaction having similar maturity, principal amount of the Cash Instrument, and having as reference entity the Issuer or the Guarantor or the Issuer's parent or the Issuer's affiliate of the Cash Instrument.

"**Index-Components Arbitrage**" means:

Long (Short): Credit Index + Short (Long): CDS Components

where:

"**Credit Index**" means any of the Markit credit default swaps indices, with maturities and notionals potentially larger, respectively, than the Settlement Date and Notional Amount of the relevant Certificates, and any successor and/or replacement index thereof, including, for the avoidance of doubt, the Markit iTraxx and CDX indices, as selected by Mediobanca and/or Mediobanca International, acting in its capacity as Calculation Agent with respect to the Certificates and in its sole and absolute discretion. Credit Index may also be a portfolio of credit default swap tranches summing up to a full capital structure, i.e. summing up to any Markit credit default swap index.

"**CDS Components**" means a basket of single-name credit default swap transactions having similar notional, maturity, coupons and reference entity as the components of the Credit Index. CDS Components may also be a portfolio of credit default swap tranches having similar maturity, aggregate notional, aggregate coupons and aggregate reference entities as the components of the Credit Index.

"**Cash and Carry Arbitrage**" means:

Long (Short): Asset Instruments + Short (Long): Replicating Futures

where:

"**Asset Instruments**" means any asset title (including commodities and commodity certificate), with maturities and notionals potentially larger, respectively, than the Settlement Date and Notional Amount of the relevant Certificates.

"**Futures Instruments**" means futures or forward contracts with similar maturity and notional as the Asset Instruments, and having as underlying the Asset Instrument itself.

The Underlying Transactions will be selected from time to time by Mediobanca and/or Mediobanca International

in their reasonable discretion and the relevant composition is subject to change during the life of the Securities. The composition of the Underlying Transaction shall be published from time to time by Mediobanca or Mediobanca International on their website www.mediobanca.com or on the website of Euronext Dublin or on the website of the Luxembourg Stock Exchange or on any other means of publication, as specified in the relevant Final Terms.

7. AGENTS, DETERMINATIONS, MEETINGS OF SECURITYHOLDERS AND MODIFICATIONS

7.1. *Agents*

The Fiscal Agent, the Paying Agent and the Calculation Agent initially appointed by the relevant Issuer and their respective specified offices are listed below. The Fiscal Agent, the Paying Agent and the Calculation Agent act solely as agents of the relevant Issuer and the Guarantor (where applicable) and do not assume any obligation or relationship of agency or trust for or with any holder. The Issuer and the Guarantor (where applicable) reserve the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent or the Calculation Agent and to appoint additional or other agents provided that the relevant Issuer will at all times maintain (i) a Fiscal Agent, (ii) a Calculation Agent where the Conditions so require one, (iii) the relevant Issuer and the Guarantor (where applicable) will ensure that they maintain a Paying Agent in an EU member state that will not be obliged to withhold or deduct tax, pursuant to European Council Directive 2003/48/EU, or any law or agreement implementing or complying with, or introduced in order to conform to, such Directive or with any Directive replacing it, (iv) Paying Agents having a specified office in at least two major European cities (including Luxembourg so long as the Securities are listed on the Luxembourg Stock Exchange), and (v) such other agents as may be required by the rules of any other stock exchange on which the Securities may be listed.

Notice of any such change or any change of any specified office will promptly be given to the holders of Securities in accordance with Security Condition 8 (*Notices*).

The Fiscal Agent initially appointed by the Issuers is BNP Paribas Securities Services, Luxembourg Branch and its specified office is 60, avenue J.F Kennedy, L-1855 Luxembourg.

The Italian Paying Agent initially appointed by the Issuers is MEDIOBANCA - Banca di Credito Finanziario S.p.A. and its specified office is Piazzetta E. Cuccia, 1 20121 Milan, Italy.

The Calculation Agent initially appointed by the Issuers is MEDIOBANCA - Banca di Credito Finanziario S.p.A. and its specified office is Piazzetta E. Cuccia, 1 20121 Milan, Italy.

7.2. *Calculation Agent*

In relation to each issue of Securities, the Calculation Agent (whether it be the relevant Issuer or another entity) acts solely as agent of the relevant Issuer and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Securityholders. All calculations and determinations made in respect of the Securities by the Calculation Agent shall (save in the case of manifest error) be final, conclusive and binding on the relevant Issuer and the Securityholders.

The Calculation Agent may, with the consent of the relevant Issuer, delegate any of its obligations and functions

to a third party as it deems appropriate.

7.3. *Determinations by the relevant Issuer*

Any determination made by the relevant Issuer pursuant to these Conditions shall (save in the case of manifest error) be final, conclusive and binding on the relevant Issuer and the Securityholders.

7.4. *Occurrence of certain events*

The Issuer or the Calculation Agent are under no obligation to monitor whether or not any of the applicable events described in Annex 2 (*Additional Terms and Conditions for Index Securities*), Annex 3 (*Additional Terms and Conditions for Share Securities*), Annex 4 (*Additional Terms and Conditions for ETI Securities*), Annex 5 (*Additional Terms and Conditions for Debt Securities*), Annex 6 (*Additional Terms and Conditions for Commodity Securities*), Annex 7 (*Additional Terms and Conditions for Inflation Index Securities*), Annex 8 (*Additional Terms and Conditions for Currency Securities*), Annex 9 (*Additional Terms and Conditions for Fund Securities*); Annex 10 (*Additional Terms and Conditions for Futures Securities*) and Annex 11 (*Additional Terms and Conditions for Underlying Interest Rate Securities*) has occurred in respect of any Security, Underlying Reference or Component, as the case may be. Neither the relevant Issuer nor the Calculation Agent shall be liable to any Securityholder for losses resulting from (i) any determination that any such event has occurred or has not occurred, (ii) the timing relating to the determination that any such event has occurred or has not occurred or (iii) any actions taken or not taken by the relevant Issuer and/or the Calculation Agent in accordance with these Conditions as a result of such determination that any such event has occurred or has not occurred.

7.5. *Meetings of Securityholders and Modifications*

The Issue and Paying Agency Agreement contains provisions for convening meetings of holders of Securities to consider any matter affecting their interest, including modification by Extraordinary Resolution of the Securities (including these Conditions insofar as the same may apply to such Securities). An Extraordinary Resolution duly passed at any such meeting shall be binding on all the holders of Securities, whether present or not, except that any Extraordinary Resolution proposed, *inter alia*, (i) to modify the date of exercise of the Securities, (ii) to reduce or cancel the Cash Settlement Amount or the Entitlement in respect of the Securities, (iii) to alter the currency of payment of the Securities other than pursuant to Security Condition 15 (*Adjustments for European Monetary Union*), will only be binding if passed at a meeting of the holders of Securities (or at any adjournment thereof) at which a special quorum (provided for in the Issue and Paying Agency Agreement) is present.

The Issuer and the Guarantor shall only permit any modification of, or any waiver or authorisation of any breach or proposed breach of or any failure to comply with, the Issue and Paying Agency Agreement, if to do so could not reasonably be expected to be prejudicial to the interests of the holders of Securities.

The Issuer and the Guarantor may, without the prior consent of the holders of the Securities correct (i) any manifest error in the Terms and Conditions of the Securities and/or in the Final Terms, (ii) any error of a formal, minor or technical nature in the Terms and Conditions of the Securities and/or in the Final Terms or (iii) any inconsistency in the Terms and Conditions of the Securities and/or in the Final Terms between the Terms and

Conditions of the Securities and/or the Final Terms and any other documents prepared in connection with the issue and/or offer of a Series of Securities (provided such correction is not materially prejudicial to the holders of the relevant Series of Securities). Any such correction shall be binding on the holders of the relevant Securities and the relevant Issuer and the Guarantor (if applicable) shall cause such correction to be notified to the holders of the Securities as soon as practicable thereafter pursuant to Security Condition 8 (*Notices*).

In addition, the relevant Issuer and the Guarantor may modify from time to time in the relevant Final Terms the time references to certain Business Days contained in these Conditions.

8. NOTICES

All notices to Securityholders shall be valid if (i) until such time as any Definitive Securities are issued, the notice is delivered to the relevant Clearing System(s), for communication by them to the Securityholders; (ii) if and so long as the Securities are admitted to trading on Euronext Dublin's regulated market (and listed on the Official List of Euronext Dublin), the notice is published in accordance with the rules and regulations of Euronext Dublin (which shall include publication in a leading newspaper having general circulation in Ireland or on the website of Euronext Dublin (www.ise-ie), (iii) if and so long as the Securities are admitted to trading on the Luxembourg Stock Exchange's regulated market and listed on the Official List of the Luxembourg Stock Exchange, the notice is published in accordance with the rules and regulations of the Luxembourg Stock Exchange (which shall include publication on the website of the Luxembourg Stock Exchange (www.bourse.lu), and (iv) if and so long as the Securities are admitted to trading on the Italian Stock Exchange, the notice is published in accordance with the rules and regulations of the Italian Stock Exchange (which shall include publication on the website of the Italian Stock Exchange (www.borsaitaliana.it)). The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any other stock exchange (or any other relevant authority) on which the Securities are for the time being listed or by which they have been admitted to trading. If Definitive Securities are issued, notices to Securityholders will be deemed validly given if published in a leading English language daily newspaper of general circulation in London. It is expected that such publication will be made in the Financial Times. Any such notice shall be deemed to have been given on the date of delivery to the relevant Clearing System(s) or the date of publication, as the case may be, or, if published more than once, on the date of the first publication.

9. EXPENSES AND TAXATION

(a) A holder of Securities must pay all taxes, duties and/or expenses, including any applicable depository charges, transaction or exercise charges, sale commissions, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties arising from the exercise and settlement of such Securities and/or the delivery or transfer of the Entitlement (as applicable) pursuant to the terms of such Securities ("**Expenses**") relating to such Securities as provided above.

(b) The Issuer shall not be liable for or otherwise obliged to pay, and the relevant Securityholder shall be liable for and/or pay, any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, exercise or enforcement of any Security by any person. All payments made by the relevant Issuer shall be made subject to any such tax, duty, withholding or other payment which may be required to be made, paid, withheld or

deducted and no additional amount shall be payable to any relevant Securityholder in respect of any such tax, duty, withholding or other payment.

10. FURTHER ISSUES

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

11. SUBSTITUTION OF THE RELEVANT ISSUER

11.1. *Substitution of Issuer*

(a) The Issuer and, in case of Securities issued by Mediobanca International, the Guarantor may at any time, without the consent of the holders of Securities, substitute Mediobanca, or any other third party entity, as Issuer in place of Mediobanca International or Mediobanca International, or any other third party entity, as Issuer in place of Mediobanca (each a "**Substitute**") upon notice by the relevant Issuer, the Guarantor (in case of Securities issued by Mediobanca International) and the Substitute to be given in accordance with Security Condition 8 (*Notices*) provided that;

(i) no payment in respect of the Securities or the Deed of Guarantee (as the case may be) is at the relevant time overdue;

(ii) the Substitute shall, by means of a deed poll in the form scheduled to the Programme Manual as Schedule 9 (the "**Deed Poll**"), agree to indemnify each holder of Securities against any incremental tax, duty, assessment or governmental charge which is imposed on it by (or by any authority in or of) the jurisdiction of the country of the Substitute's residence for tax purposes and, if different, of its incorporation with respect to any Securities or the Deed of Covenant and which would not have been so imposed or otherwise suffered by any holder of Securities had the substitution not been made, as well as against any tax, duty, assessment or governmental charge, and any cost or expense, relating to the substitution;

(iii) in respect of Securities issued by Mediobanca International, where the Substitute is not the Guarantor, the obligations of the Substitute under the Deed Poll, the Securities and Deed of Covenant shall be unconditionally and irrevocably guaranteed by the Guarantor by means of the Deed Poll, in accordance with the terms thereof;

(iv) all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Deed Poll, the Securities and Deed of Covenant represent valid, legally binding and enforceable obligations of the Substitute and, where applicable, of the Guarantor have been taken, fulfilled and done and are in full force and effect;

(v) the Substitute shall have become party to the Issue and Paying Agency Agreement, with any appropriate consequential amendments, as if it had been an original party to it;

(vi) legal opinions shall have been delivered to the Fiscal Agent from lawyers of recognised standing in

each jurisdiction referred to in (ii) above, in Italy and in England as to the fulfilment of the requirements of this Security Condition 11 and the other matters specified in the Deed Poll and that the Securities are legal, valid and binding obligations of the Substitute;

(vii) each stock exchange on which the Securities are listed shall have confirmed that, following the proposed substitution of the Substitute, the Securities will continue to be listed on such stock exchange;

(viii) if applicable, the Substitute has appointed a process agent as its agent in England to receive service of process on its behalf in relation to any legal proceedings arising out of or in connection with the Securities.

(b) Upon the execution of the Deed Poll and the delivery of the legal opinions, the Substitute shall succeed to, and be substituted for, and may exercise every right and power, of the relevant Issuer under the Securities and the Issue and Paying Agency Agreement with the same effect as if the Substitute had been named as the relevant Issuer herein, and the relevant Issuer shall be released from its obligations under the Securities and under the Issue and Paying Agency Agreement.

(c) After a substitution pursuant to Security Condition 11.1(a), the Substitute may, without the consent of any holder, effect a further substitution. All the provisions specified in Security Condition 11.1(a) and Security Condition 11.1(b) shall apply *mutatis mutandis*, and references in these Conditions to the relevant Issuer shall, where the context so requires, be deemed to be or include references to any such further Substitute.

(d) After a substitution pursuant to Security Condition 11.1(a) or Security Condition 11.1(c) any Substitute may, without the consent of any holder, reverse the substitution, *mutatis mutandis*.

(e) The Deed Poll and all documents relating to the substitution shall be delivered to, and kept by, the Fiscal Agent. Copies of such documents will be available free of charge at the specified office of the Paying Agent.

11.2. *Modification of Conditions as a result of Substitution of Issuer*

After any substitution pursuant to Security Condition 11.1 (*Substitution of Issuer)* above, the Conditions will be modified in all consequential respects including, but not limited to, replacement of references to the Republic of Italy in the Conditions where applicable, by references to the country of incorporation, domicile and/or residence for tax purposes of the Substitute, as the case may be. Such modifications shall be notified to Securityholders in accordance with Security Condition 8 (*Notices*).

12. GOVERNING LAW AND JURISDICTION

(a) *Governing Law*: If it is specified in the Final Terms that English law is applicable to the Securities, the Securities and any contractual or non-contractual obligations arising from or connected with the Securities are governed by, and shall be construed in accordance with, English law, save for the status provisions applicable to the Securities and the contractual recognition of bail-in powers provisions, and

any non contractual obligations arising out of or in connection with such provisions set out in Security Conditions 23 (*Acknowledgement of the Italian Bail-in power*) and 24 (*Acknowledgement of the Luxembourg Bail-in power*, (the "**status and bail-in recognition provisions**"), which shall be governed by, and construed in accordance with, Italian law (if the Securities are issued by Mediobanca) or Luxembourg law (if the Securities are issued by Mediobanca International), as applicable. If it is specified in the Final Terms that Italian law is applicable to the Securities, the Securities are governed by, and shall be construed in accordance with, Italian law, save, in case Securities are issued by Mediobanca International, for the status and bail-in recognition provisions which shall be governed by, and construed in accordance with, Luxembourg law. Articles 470-1 to 470-19 of the Luxembourg law dated 10 August 1915 on commercial companies, as amended, are not applicable to the Securities.

(b) *English courts*: If it is specified in the Final Terms that English law is applicable to the Securities, the courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**"), arising from or connected with the Securities, whether arising out of or in connection with contractual or non-contractual obligations, subject to the status and bail-in recognition provisions. If it is specified in the Final Terms that Italian law is applicable to the Securities, the Courts of Milan shall have exclusive jurisdiction to settle any disputes that may arise out of or in connection with these Securities, whether arising out of or in connection with contractual or non-contractual obligations, subject to the status and bail-in recognition provisions.

(c) *Appropriate forum:* If it is specified in the Final Terms that English law is applicable to the Securities, each of the relevant Issuer and the Guarantor (where applicable) agree that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that they will not argue to the contrary.

(d) *Service of notices/documents:* If it is specified in the Final Terms that English law is applicable to the Securities, each of the relevant Issuer and the Guarantor (where applicable) agree that the documents which start any proceedings relating to a Dispute ("**Proceedings**") and any other documents required to be served in relation to those Proceedings may be served on them by being delivered to Mediobanca – London Branch, 4th floor, 62 Buckingham Gate SW1E 6AJ, United Kingdom. If such person is not or ceases to be effectively appointed to accept service of process on behalf of the relevant Issuer and the Guarantor (where applicable), the relevant Issuer and the Guarantor (where applicable) shall, on the written demand of any Securityholder addressed and delivered to the relevant Issuer and to the Guarantor (where applicable) or to the specified office of the Fiscal Agent appoint a further person in England to accept service of process on their behalf and, failing such appointment within 15 days, any Securityholder shall be entitled to appoint such a person by written notice addressed to the relevant Issuer and the Guarantor (where applicable) and delivered to the relevant Issuer and the Guarantor (where applicable) or to the specified office of the Fiscal Agent. Nothing in this paragraph shall affect the right of any Securityholder to serve process in any other manner permitted by law. This clause applies to Proceedings in England and to Proceedings elsewhere.

(e) *Non-applicable Conditions if Italian law applies to the Securities:* If it is specified in the Final Terms

that Italian law is applicable to the Securities, Security Condition 12(c), Security Condition 12(d) and Security Condition 16 (*Contracts (Rights of Third Parties) Act 1999*) shall not apply.

13. ADDITIONAL DISRUPTION EVENTS AND OPTIONAL ADDITIONAL DISRUPTION EVENTS

13.1. *Definitions*

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

"**Administrator/Benchmark Event**" means, in relation to any Benchmark, the occurrence of a Benchmark Modification or Cessation Event, a Non-Approval Event, a Rejection Event or a Suspension/Withdrawal Event, all as determined by the Calculation Agent;

"**Applicable Banking Regulations**" means at any time the laws, regulations, requirements, guidelines and policies relating to capital adequacy then in effect in the Republic of Italy, including, without limitation to the generality of the foregoing, those regulations, requirements, guidelines and policies relating to capital adequacy then in effect of the Relevant Authority (as defined below) whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer and including, for avoidance of doubt, as at the Issue Date the rules contained in, or implementing, CRD IV);

"**Benchmark**" means any figure which is a benchmark as defined in BMR and where any amount payable or deliverable under the Certificates, or the value of the Certificates, is determined by reference in whole or in part to such figure, all as determined by the Calculation Agent;

"**Benchmark Modification or Cessation Event**" means, in respect of the Benchmark any of the following has occurred or will occur:

(i) any material change in such Benchmark;

(ii) the permanent or indefinite cancellation or cessation in the provision of such Benchmark; or

(iii) a regulator or other official sector entity prohibits the use of such Benchmark.

"**BMR**" means the EU Benchmarks Regulation (Regulation (EU) 2016/1011);

"**BRRD**" means the directive 2014/59/EU providing for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms;

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

"**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, in respect of any

tax law, solvency or capital requirements), or (b) due to the promulgation of or any change in the interpretation or application of any law or regulation by any court, tribunal or regulatory or other supervisory authority with competent jurisdiction (including any action taken by a taxing or financial authority or any supervisory authority) or the combined effect thereof if occurring more than once, the Issuer determines acting in good faith and in a commercially reasonable manner that:

(a) it has become illegal for it or any of its Affiliates to hold, acquire or dispose of any relevant hedge position relating to an Index (in the case of Index Securities), any relevant hedge position relating to a Debt Instrument (in the case of Debt Securities), any relevant hedge position relating to a Share (in the case of Share Securities), any relevant hedge position relating to an ETI Interest (in the case of ETI Securities), any relevant hedge position relating to a Commodity or Commodity Index (in the case of Commodity Securities) or any relevant hedge position relating to a Fund Share (in the case of Fund Securities) (each a "**Hedge**"); or

(b) it or any of its Affiliates would incur a materially increased cost (including, without limitation, in respect of any tax, solvency, regulatory or capital requirements) in maintaining the Securities in issue or, unless Hedge Maintenance Cost is specified as not applicable in the applicable Final Terms, in holding, acquiring or disposing of any Hedge;

"**CRD IV**" means the CRD IV Directive, the CRR and any CRD IV Implementing Measure;

"**CRD IV Directive**" means the directive 2013/36 of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC;

"**CRD IV Implementing Measure**" means any regulatory capital rules implementing the CRD IV Directive or the CRR which may from time to time be introduced, including, but not limited to, delegated or implementing acts (regulatory technical standards) adopted by the European Commission, national laws and regulations, and regulations and guidelines issued by the Bank of Italy, the European Banking Authority or any other relevant authority, which are applicable to the Issuer (on a standalone basis) or the Issuer together with its consolidated subsidiaries (on a consolidated basis) and which prescribe the requirements to be fulfilled by financial instruments for inclusion in the regulatory capital of the Issuer (on a standalone or consolidated basis);

"**CRR**" means the Regulation No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms amending Regulation No. 648/2012;

"**Currency Event**" means that, on or after the Trade Date, it has become impracticable, illegal or impossible for the Issuer or any of its Affiliates (a) to convert the relevant currency ("**Local Currency**") in which the Index, the Shares or the Debt Instruments or any options or futures contracts or other hedging arrangement in relation to the Index, the Shares or the Debt Instruments (for the purposes of hedging the Issuer's obligations under the Securities) are denominated, into the Settlement Currency, or exchange or repatriate any funds in the Local Currency or the Settlement Currency outside of the country in which the Index, the Shares or the Debt Instruments or any options or futures contracts in relation to the Index, the Shares or the Debt Instruments respectively are traded due to the adoption of, or any change in, any applicable law, rule, regulation, judgment,

order, directive or decree of any Government Authority or otherwise, or (b) for the Calculation Agent to determine a rate or (in the determination of the Calculation Agent) a commercially reasonable rate at which the Local Currency can be exchanged for the Settlement Currency for payment under the Securities;

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

(a) any act (other than a Market Disruption Event), law, rule, regulation, judgment, order, directive, interpretation, decree or material legislative or administrative interference of any Government Authority or otherwise; or

(b) the occurrence of civil war, disruption, military action, unrest, political insurrection, terrorist activity of any kind, riot, public demonstration and/or protest, or any other financial or economic reasons or any other causes or impediments beyond such party's control; or

(c) any expropriation, confiscation, requisition, nationalisation or other action taken or threatened by any Government Authority that deprives the Issuer or any of its Affiliates, of all or substantially all of its assets in the Local Currency jurisdiction;

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

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

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

"**Hedging Party Default**" means any hedging counterparty in respect of the Securities announces its inability to meet its financial obligations, ceases its payments or a court in its jurisdiction of incorporation opens insolvency proceedings against it and the Issuer or the Guarantor is unable to replace such hedging counterparty on terms acceptable to the Issuer or the Guarantor, as the case may be;

"**Hedging Shares**" means the number of components comprised in an Index (in the case of Index Securities) or the number of Shares (in the case of Share Securities) that the Issuer and/or any of its Affiliates deems necessary

to hedge the equity or other price risk of entering into and performing its obligations with respect to the Securities;

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

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

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

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

"**Italian Bail-in Power**" means any write-down, conversion, transfer, modification, or suspension power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in the Republic of Italy, relating to (i) the transposition of the BRRD (in including, but not limited to, Legislative Decrees No. 180/2015 and 181/2015) as amended from time to time; and (ii) the instruments, rules and standards created thereunder, pursuant to which any obligation of a regulated entity (or other affiliate of such regulated entity) can be reduced, cancelled, modified, or converted into shares, other securities, or other obligations of such regulated entity or any other person (or suspended for a temporary period).

"**Jurisdiction Event**" means that, on or after the Trade Date, it has become impracticable, illegal or impossible for the Issuer or any of its Affiliates to purchase, sell, hold or otherwise deal (or to continue to do so in the

future) in the Index, the Shares or the Debt Instruments or, unless Hedging Arrangements is specified as not applicable in the applicable Final Terms, 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:

(a) under the Securities; or

(b) unless Hedging Arrangements is specified as not applicable in the applicable Final Terms, in respect of any relevant hedging arrangements in connection with the Securities (including, without limitation, any purchase, sale or entry into or holding of one or more securities positions, currency positions, stock loan transactions, derivatives position, commodity position or other instruments or arrangements (however described) by the Issuer and/or any of its Affiliates in order to hedge, either individually or on a portfolio basis, the Securities),

or the costs of so doing would (in the determination of the Calculation Agent acting in good faith and in a commercially reasonable manner) be materially increased under the restriction or limitation of the existing or future law, rule, regulation, judgment, order, interpretation, directive or decree of any Government Authority or otherwise;

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

"**Luxembourg Bail-in Power**" means any write-down, conversion, transfer, modification, or suspension power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in Luxembourg, (i) relating to the transposition of the BRRD (including, but not limited to, the Luxembourg law of 18 December 2015 *relative aux mesures de résolution, d'assainissement et de liquidation des établissements de crédit et de certaines enterprises d'investissement ainsi qu'aux systèmes de garantie des dépôts et d'indemnisation des investisseurs*, as amended from time to time (the "**Luxembourg BRRD Law**"), (ii) relating to the SRM Regulation or (iii) otherwise arising under Luxembourg law and (iv) in each case, the instruments, rules and standards created thereunder, pursuant to which certain eligible liabilities of a regulated entity or other affiliate of such regulated entity) can be reduced, cancelled, modified, or converted into equity or other types of capital instruments of such regulated entity or any other person (or suspended for a temporary period) and any right in a contract governing an obligation of a regulated entity may be deemed to have been exercised. For this purpose, a reference to a "regulated entity" is to any institution or entity (which includes certain credit institutions, investment firms, and certain of their group companies) referred to in points (1), (2), (3) or (4) of Article 2(1) of the Luxembourg BRRD Law, and with respect to the SRM Regulation to any entity referred to in Article 2 of the SRM Regulation;

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

"**Non-Approval Event"** means, in respect of the Benchmark:

(i) any authorisation, registration, recognition, endorsement, equivalence decision or approval in respect of the Benchmark or the administrator or sponsor of the Benchmark has not been or will not be obtained;

(ii) the Benchmark or the administrator or sponsor of the Benchmark has not been or will not be included in an official register; or

(iii) the Benchmark or the administrator or sponsor of the Benchmark does not or will not fulfil any legal or regulatory requirement applicable to the Certificates, the Issuer, the Calculation Agent or the Benchmark,

in each case, as required under any applicable law or regulation in order for any of the Issuer, the Calculation Agent or any other entity to perform its obligations in respect of the Certificates. For the avoidance of doubt, a Non-Approval Event shall not occur if the Benchmark or the administrator or sponsor of the Benchmark is not or will not be included in an official register because its authorisation, registration, recognition, endorsement, equivalence decision or approval is suspended if, at the time of such suspension, the continued provision and use of the Benchmark is permitted in respect of the Certificates under the applicable law or regulation during the period of such suspension;

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

"**Protected Amount**" means the amount specified as such in the applicable Final Terms;

"**Rejection Event**" means, in respect of the Benchmark, the relevant competent authority or other relevant official body rejects or refuses or will reject or refuse any application for authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register which, in each case, is required in relation to the Certificates, the Benchmark or the administrator or sponsor of the Benchmark under any applicable law or regulation for any of the Issuer, the Calculation Agent or any other entity to perform its obligations in respect of the Certificates;

"**Relevant Authority**" means (i) in respect of Italy, the European Central Bank, the Bank of Italy, or any successor authority having responsibility for the prudential supervision of the Issuer or the Group within the framework of the Single Supervisory Mechanism set out under Council Regulation (EU) No. 1024/2013 and in accordance with the Applicable Banking Regulations and/or, as the context may require, the Italian resolution authority, the Single Resolution Board established pursuant to the SRM Regulation, and/or any other authority in Italy or in the European Union entitled to exercise or participate in the exercise of the Italian Bail-in Power or having primary responsibility for the prudential oversight and supervision of Mediobanca from time to time; and (ii) in respect of Luxembourg, the *Commission de Surveillance du Secteur Financier*, acting in its capacity as resolution authority within the meaning of Article 3(1) of the BRRD, the Single Resolution Board established

pursuant to the SRM Regulation, and/or any other authority in Luxembourg or in the European Union entitled to exercise or participate in the exercise of the Luxembourg Bail-in Power from time to time;

"**Significant Alteration Event**" means the occurrence after the Issue Date of any event or combination of events or circumstances that are not attributable to the Issuer that significantly alters the economics of the Securities compared to the economics as of the Issue Date, but do not render performance of the Issuer's obligations under the Securities impossible;

"**SRM Regulation**" means the Regulation (EU) No.806/2014 of the European Parliament and of the Council of 15 July 2014, establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of the Single Supervisory Mechanism and the Single Resolution Fund and amending Regulation (EU) No. 1093/2010, as amended or superseded from time to time;

"**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;

"**Suspension/Withdrawal Event**" means, in respect of the Benchmark:

(i) the relevant competent authority or other relevant official body suspends or withdraws or will suspend or withdraw any authorisation, registration, recognition, endorsement, equivalence decision or approval in relation to the Benchmark or the administrator or sponsor of the Benchmark which is required under any applicable law or regulation in order for any of the Issuer, the Calculation Agent or any other entity to perform its obligations in respect of the Certificates; or

(ii) the Benchmark or the administrator or sponsor of the Benchmark is or will be removed from any official register where inclusion in such register is or will be required under any applicable law in order for any of the Issuer, the Calculation Agent or any other entity to perform its obligations in respect of the Certificates.

For the avoidance of doubt, a Suspension/Withdrawal Event shall not occur if such authorisation, registration, recognition, endorsement, equivalence decision or approval is or will be suspended or where inclusion in any official register is or will be withdrawn if, at the time of such suspension or withdrawal, the continued provision and use of the Benchmark is permitted in respect of the Certificates under the applicable law or regulation during the period of such suspension or withdrawal; and

"**Trade Date**" has the meaning given to it in the applicable Final Terms.

13.2. If an Additional Disruption Event and/or an Optional Additional Disruption Event are specified as applicable in the applicable Final Terms and an Additional Disruption Event and/or an Optional Additional Disruption Event occurs (other than in respect of Failure to Deliver due to Illiquidity), the Issuer may take the action described in

(a) or, if applicable, (b) or (c), as the case may be, below:

(a) require the Calculation Agent to determine acting in good faith and in a commercially reasonable manner the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement and/or the Exercise Price and/or the Weighting and/or any of the other terms of these 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. In the case of an Administrator/Benchmark Event, such adjustment may include, without limitation, selecting a successor benchmark(s) and making related adjustments to the Conditions of the Securities including, where applicable, and unless Unwind Costs is specified as not applicable, to reflect any increased costs of the Issuer providing such exposure to the successor benchmark(s) and, in the case of more than one successor benchmark, making provision for allocation of exposure as between the successor benchmarks;

(b) (i) unless Delayed Settlement on Occurrence of an Additional Disruption Event and/or Optional Additional Disruption Event, Highest Value, Market Value or Monetisation Option are specified in the applicable Final Terms, on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities, each Security being settled by payment to each Securityholder in respect of each Security held by him, of an amount equal to the fair market value of such Security, taking into account the Additional Disruption Event and/or Optional Additional Disruption Event less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, payment being made in such manner as shall be notified to the Securityholders in accordance with Security Condition 8 (*Notices*); or

(ii) if Delayed Settlement on Occurrence of an Additional Disruption Event and/or Optional Additional Disruption Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security, taking into account the Additional Disruption Event and/or Optional Additional Disruption Event, less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Additional Disruption Amount**") as soon as practicable following the occurrence of the Additional Disruption Event and/or Optional Additional Disruption Event (the "**Calculated Additional Disruption Amount Determination Date**") and on the Settlement Date shall settle each Security 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 Settlement Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Protected Amount (specified in the applicable Final Terms); or

(iii) if Highest Value is specified in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityholder an amount in respect of each Security held by such Securityholder calculated and paid on such date determined, in accordance with Security Condition 20(a); or

(iv) if Market Value is specified in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*) settle all, but not some only of the Securities and pay to each Securityholder an amount in respect of each Security held by such Securityholder calculated and paid on such date determined, in accordance with Security Condition 20(b); or

(v) if Monetisation Option is specified in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay an amount to each Securityholder an amount in respect of each Security held by such Securityholder calculated and paid on such date determined, in accordance with Security Condition 20(c); or

(c) in the case of Share Securities linked to a Basket of Shares, the Calculation Agent may adjust the Basket of Shares to include a Share selected by it in accordance with the criteria for Share selection set out below (each a "**Substitute Share**") for each Share (each an "**Affected Share**") which is affected by the Additional Disruption Event and/or Optional Additional Disruption Event and the Substitute Share will be deemed to be a "**Share**" and the relevant issuer of such shares a "**Basket Company**" for the purposes of the Securities, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (where the Securities are Physical Delivery Securities) and/or the Weighting and/or Exercise Price and/or any of the other terms of these Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner 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:

initial price = A×(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**") acting in good faith and in a commercially reasonable manner 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 the Calculation Agent determines, acting in good faith and in a commercially reasonable manner:

(i) is not already included in the Basket of Shares;

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

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

If a Failure to Deliver due to Illiquidity occurs:

(A) subject as provided elsewhere in the Conditions as completed by the applicable Final Terms, any Relevant Assets which are not Affected Relevant Assets, will be delivered on the originally designated Settlement Date in accordance with Security Condition 17.3 (*Physical Settlement*); and

(B) in respect of any Affected Relevant Assets, in lieu of physical settlement and notwithstanding any other provision hereof, the Issuer may elect to satisfy its obligations in respect of the relevant Security by payment to the relevant Securityholder of the Failure to Deliver Settlement Price on the fifth Business Day following the date that notice of such election is given to the Securityholders in accordance with Security Condition 8 (*Notices*). Payment of the Failure to Deliver Settlement Price will be made in such manner as shall be notified to the Securityholders in accordance with Security Condition 8 (*Notices*).

For the purposes hereof:

"**Failure to Deliver Settlement Price**" means, in respect of any relevant Security, the fair market value of such Security (taking into account the Relevant Assets comprising the Entitlement which have been duly delivered as provided above), less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Issuer acting in good faith and in a commercially reasonable manner (or, whereas provided above some Relevant Assets have been delivered, and a *pro rata* portion thereof has been paid, such *pro rata* portion).

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 Securityholders in accordance with Security Condition 8 (*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 provided that any failure to give, or non-receipt of, such notice will not affect the validity of the Additional Disruption Event and/or Optional Additional Disruption Event.

14. KNOCK-IN EVENT AND KNOCK-OUT EVENT

14.1. If Knock-in Event is specified as applicable in the applicable Final Terms, then any payment and/or delivery, as applicable, under the relevant Securities which is expressed in the Conditions to be subject to a Knock-in Event, shall be conditional upon the occurrence of such Knock-in Event.

14.2. If Knock-out Event is specified as applicable in the applicable Final Terms, then any payment and/or delivery, as applicable, under the relevant Securities which is expressed in the Conditions to be subject to a Knock-out Event, shall be conditional upon the occurrence of such Knock-out Event.

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

14.4. In respect of Commodity Securities or Currency Securities, if the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is the Valuation Time and if any Knock-in Determination Day or Knock-out Determination Day is a Commodity Disrupted Day or a Disrupted Day, as applicable, then (i) if Disruption Consequences are specified as not applicable in the applicable Final Terms, a Knock-in Event or Knock-out Event may occur notwithstanding such day being a Commodity Disrupted Day or a Disrupted Day, as the case may be or (ii) if Disruption Consequences are specified as applicable in the applicable Final Terms, such Knock-in Determination Day or Knock-out Determination Day will be deemed not to be a Knock-in Determination Day or Knock-out Determination Day for the purposes of determining the

occurrence of a Knock-in Event or a Knock-out Event.

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

14.6. In respect of Debt Securities, if the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is any time or period of time during the regular trading hours on the exchange on which the relevant Debt Instrument is traded or on any exchange on which options contracts or futures contracts with respect to such Debt Instrument are traded and if on any Knock-in Determination Day or Knock-out Determination Day and at any time at which the Level triggers the Knock-in Level or the Knock-out Level, a Market Disruption Event has occurred or is occurring, then (i) if Disruption Consequences are specified as not applicable in the applicable Final Terms, a Knock-in Event or Knock-out Event may occur notwithstanding such Market Disruption Event or (ii) if Disruption Consequences are specified as applicable in the applicable Final Terms, the Knock-in Event or the Knock-out Event shall be deemed not to have occurred, provided that if, by operation of this provision, no Knock-in Determination Day or Knock-out Determination Day would occur in the Knock-in Determination Period or Knock-out Determination Period, the Knock-in Period Ending Date or Knock-out Period Ending Date shall be treated as a Valuation Date and the Calculation Agent shall determine the Level as at the Knock-in Valuation Time or Knock-out Valuation Time in accordance with the provisions contained in the definition of "Valuation Date" for the purposes of determining the occurrence of a Knock-in Event or Knock-out Event.

14.7. *Definitions relating to Knock-in Event/Knock-out Event*

Unless otherwise specified in the applicable Final Terms:

"**Knock-in Determination Day**" means (a) each date specified as such in the applicable Final Terms, (b) each Scheduled Trading Day in the Knock-in Determination Period, (c) each date specified as such in the Knock-in

Determination Period, (d) each Fund Business Day in the Knock-in Determination Period, (e) each Business Day in the Knock-in Determination Period, (f) each Commodity Business Day in the Knock-in Determination Period, as specified in the applicable Final Terms, (g) each MFP Valution Date, (g) each MFP Valuation Date in MFP Valuation Period or (h) each MFP Valuation Date indicated as such within 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) if Knock-in Valuation is specified as applicable in the applicable Final Terms, the Knock-in Value is; or

(b) if the Securities are Currency Securities and FX Knock-in Valuation is specified as applicable in the applicable Final Terms:

(i) if FX Coupon Performance is specified as applicable in the applicable Final Terms, that the FX Coupon Performance is; or

(ii) if Performance Value is specified as applicable in the applicable Final Terms, that the Performance Value is; or

(c) if Knock-in Valuation is specified as not applicable in the applicable Final Terms and, if the Securities are Currency Securities and unless FX Knock-in Valuation is specified as applicable in the applicable Final Terms:

(i) (in respect of a single Underlying Reference) that the Level is; or

(ii) (in respect of a Basket of Underlying References) that the amount determined by the Calculation Agent equal to the sum of the values of each Underlying Reference as the product of (x) the Level of such Underlying Reference and (y) the relevant Weighting is:

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

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

"**Knock-in Observation Price Source**" means the source specified as such 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 Day Convention is specified as applicable in the applicable Final Terms and

such date is not a Scheduled Trading Day (in the case of Index Securities, Share Securities, ETI Securities, Debt Securities or Currency Securities), a Commodity Business Day (in the case of Commodity Securities), a Fund Business Day (in the case of Fund Securities) or Business Day (in the case of other Securities), the next following Scheduled Trading Day, Commodity Business Day, Fund Business Day or Business Day, as the case may be;

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

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

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

"**Knock-in Value**" means the value from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (G*reatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts)*, 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms;

"**Knock-out Determination Day**" means (a) each date specified as such in the applicable Final Terms, (b) each Scheduled Trading Day in the Knock-out Determination Period, (c) each date specified as such in the Knock-out Determination Period, (d) each Fund Business Day in the Knock-out Determination Period, (e) each Business Day in the Knock-out Determination Period, (f) each Commodity Business Day in the Knock-out Determination Period, as specified in the applicable Final Terms, (g) each MFP Valution Date, (g) each MFP Valuation Date in MFP Valuation Period or (h) each MFP Valuation Date indicated as such within 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) if Knock-out Valuation is specified as applicable in the applicable Final Terms, the Knock-out Value is, or

(b) if the Securities are Currency Securities and FX Knock-out Valuation is specified as applicable in the applicable Final Terms:

(i) if FX Coupon Performance is specified as applicable in the applicable Final Terms, that the FX Coupon Performance is; or

(ii) if Performance Value is specified as applicable in the applicable Final Terms, that the Performance Value is; or

(c) if Knock-out Valuation is specified as not applicable in the applicable Final Terms and, if the Securities are Currency Securities and unless FX Knock-out Valuation is specified as applicable in the applicable Final Terms:

(i) (in respect of a single Underlying Reference) that the Level is; or

(ii) (in respect of a Basket of Underlying References) that the amount determined by the Calculation Agent equal to the sum of the values of each Underlying References as the product of (x) the Level of such Underlying Reference and (y) the relevant Weighting is,

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

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

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

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

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

following Scheduled Trading Day, Commodity Business Day, Fund Business Day or Business Day, as the case may be;

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

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

"Knock-out Value" means the value from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (G*reatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts)*, 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms;

"Level" means, for the purposes of this Security Condition 14.7, (i) the "official level", "official close", "last price", "traded price", "bid price" or "asked price" of the Underlying Reference, as specified in the applicable Final Terms, published by the Knock-in Observation Price Source or Knock-out Observation Price Source, as applicable, or (ii) if "Standard Level" is specified as applicable in the applicable Final Terms (a) in the case of Share Securities, ETI Securities and Futures Securities, the price of the relevant Underlying Reference, (b) in the case of Index Securities, the level of the relevant Underlying Reference (c) in the case of Commodity Securities, the Relevant Price, (d) in the case of Currency Securities, the spot rate of exchange for the exchange of the Alternative Currency into the Base Currency (expressed as the number of units (or part units) of such Alternative Currency for which one unit of the Base Currency can be exchanged), or, in each case determined by the Calculation Agent as of the Knock-in Valuation Time or Knock-out Valuation Time on any Knock-in Determination Day or Knock-out Determination Day, as applicable, or, in the case of the "official close" level, at such time as the official close is published by the Knock-in Observation Price Source or Knock-out Observation Price Source, as applicable;

"**Relevant Adjustment Provisions**" means:

(a) in the case of Index Securities, Index Security Condition 2 (*Market Disruption*) and Index Security Condition 3 (*Adjustments to an Index*);

(b) in the case of Share Securities, Share Security Condition 2 (*Market Disruption*), Share Security Condition 3 (*Potential Adjustment Events*) and Share Security Condition 5 (*Extraordinary Events*);

(c) in the case of Fund Securities, Fund Security Condition 4 (*Consequences of an Extraordinary Fund Event)*;

(d) in the case of ETI Securities, ETI Security Condition 2 (*Market Disruption*) and ETI Security Condition 3 (*Potential Adjustment Events*);

(e) in the case of Commodity Securities, Commodity Security Condition 2 (*Market Disruption*), Commodity Security Condition 3 (*Consequences of a Market Disruption Event and Disruption Fallbacks*) and Commodity Security Condition 4 (*Adjustments to a Commodity Index*);

(f) in the case of Currency Securities, Currency Security Condition 2 (*Disruption Events*), Currency Security Condition 3 (*Consequences of a Disruption Event*);

(g) in the case of Futures Securities, Futures Security Condition 3 (*Adjustments to a Future*);

(h) in the case of Debt Securities, Debt Security Condition 3 (*Market Disruption*) Debt Security Condition 4 (*Correction of Debt Instrument Price*) and Debt Security Condition 5 (*Redemption or Cancellation of a Debt Instrument*);

"**Underlying Reference**" means, for the purposes of this Security Condition 14, each Index, Share, ETI Interest, Debt Instrument, Commodity, Fund, Commodity Index, Alternative Currency, Future or other basis of reference to which the relevant Securities relate.

15. ADJUSTMENTS FOR EUROPEAN MONETARY UNION

Unless Redenomination is specified as not applicable in the applicable Final Terms, the Issuer may, without the consent of the Securityholders, on giving notice to the Securityholders in accordance with Security Condition 8 (*Notices*):

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

The election will have effect as follows:

(i) where the Settlement Currency of the Securities is the National Currency Unit of a country which is participating in the third stage of European Economic and Monetary Union, such Settlement Currency shall be deemed to be an amount of euro converted from the original Settlement Currency into euro at the Established Rate, subject to such provisions (if any) as to rounding as the 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 Securities will be made solely in euro as though references in the Securities to the Settlement Currency were to euro;

(ii) where the Exchange Rate and/or any other terms of these Conditions (as completed in the applicable Final Terms) 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 completed in the applicable Final Terms) as the relevant Issuer may decide, in its sole and absolute discretion 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 Exercise Price and/or the Settlement Price and/or any other terms of these Conditions and/or the applicable Final Terms as the Calculation Agent, acting in good faith and in a commercially reasonable manner, 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 Exercise Price and/or the Settlement Price and/or such other terms of these Conditions and/or the applicable Final Terms).

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

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

"**Adjustment Date**" means a date specified by the relevant Issuer in the notice given to the Securityholders pursuant to this Security 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 Article 140 of the Treaty;

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

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

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

16. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

Subject as provided in the Issue and Paying Agency Agreement, the Securities do not confer on any third party any rights under the Contracts (Rights of Third Parties) Act 1999 (the Act) to enforce any term of the Securities, but this does not affect any right or remedy of a third party which exists or is available apart from the Act.

17. EXERCISE OF CERTIFICATES

17.1. *Exercise Date*

Subject to Security Condition 17.5 (*Automatic Early Settlement*) and, in the case of Credit Securities, to the provisions of Annex 12 (*Additional Terms and Conditions for Credit Securities*), each Certificate shall be automatically exercised on the Exercise Date.

17.2. *Cash Settlement*

If the Certificates ("**Cash Settled Certificates**") are Cash Settled Securities, each such Certificate entitles its holder to receive from the relevant Issuer on the Settlement Date the Cash Settlement Amount, less any Expenses not already paid.

17.3. *Physical Settlement*

If the Certificates ("**Physical Delivery Certificates**") are Physical Delivery Securities, each such Certificate entitles its holder, subject to the provisions of Security Condition 4 (*Physical Delivery Provisions*) and Security Condition 21.1 (*Physical Delivery Confirmation Notice Requirement*), to receive from the relevant Issuer on the Settlement Date the Entitlement, subject to payment of any Expenses. The method of delivery of the Entitlement is set out in the applicable Final Terms.

Unless otherwise specified in the applicable Final Terms, Certificates of the same Securityholder automatically exercised and in respect of which a Physical Delivery Confirmation Notice (as defined below) has been duly given as provided in Security Condition 21.1 (*Physical Delivery Confirmation Notice Requirement*), 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 Securityholder 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 a cash adjustment amount calculated by the Calculation Agent will be paid in lieu of such fractions of the Relevant Asset. Any such cash adjustment amount will be paid to the account specified in the relevant Physical Delivery Confirmation Notice.

Following exercise of a Share Security or ETI Security which is a Physical Delivery Certificate, all dividends on the relevant Shares to be delivered will be payable to the party that would receive such dividend according to market practice for a sale of the Shares or ETI Interests executed on the Exercise Date and to be delivered in the same manner as such relevant Shares or ETI Interests, all as determined by the Calculation Agent. Any such dividends to be paid to a Securityholder will be paid to the account specified by the Securityholder in the relevant Physical Delivery Confirmation Notice as referred to in Security Condition 21.1.

17.4. *Open End Certificates*

If Open End is specified as applicable in the relevant Final Terms, the Settlement Date of such Open End Certificates will, notwithstanding any provision to the contrary, be the date falling (5) five Business Days after the relevant Averaging Date, Observation Date, Strike Date or, as applicable, Valuation Date determined by the

Issuer, provided that the relevant Averaging Date, Observation Date, Strike Date or Valuation Date so-determined by the Issuer is notified to the Securityholders at the latest ten (10) Business Days prior to the contemplated date in accordance with Security Condition 8 (*Notices*).

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

17.5. *Automatic Early Settlement*

This Security Condition 17.5 applies to Index Securities, Share Securities, Debt Securities, ETI Securities, Currency Securities, Commodity Securities, Futures Securities, Fund Securities and, if FI Underlying Automatic Early Settlement Payout is specified as applicable in the applicable Final Terms, Underlying Interest Rate Securities only.

(a) If Automatic Early Settlement is specified as applicable in the applicable Final Terms, then unless previously settled or purchased and cancelled, if on (i) any Automatic Early Settlement Valuation Date or (ii) in respect of an Automatic Early Settlement Valuation Period, as specified in the applicable Final Terms, an Automatic Early Settlement Event occurs, then the Certificates will be automatically settled in whole, but not in part, and on the Automatic Early Settlement Date each Certificate will entitle its holder to receive from the Issuer the relevant Automatic Early Settlement Amount or, in case of Physical Delivery Securities, the Early Settlement Entitlement, as the case may be, less any Expenses not already paid.

(b) Notwithstanding Security Condition 17.5(a), an Automatic Early Settlement Event 1 may only occur on an AES 1 Settlement Valuation Date or in respect of an AES 1 Settlement Valuation Period and an Automatic Early Settlement Event 2 may only occur on an AES 2 Settlement Valuation Date or in respect of an AES 2 Settlement Valuation Period.

(c) Definitions relating to Automatic Early Settlement:

"**AES Event 1 Underlying(s)**" means the Underlying Reference or each Underlying Reference comprising the Basket, in each case specified as such in the applicable Final Terms;

"**AES Event 2 Underlying(s)**" means the Underlying References or each Underlying Reference comprising the Basket, in each case specified as such in the applicable Final Terms;

"**AES Knock-out**" means the occurrence (such date of occurrence, the **AES Knock-out Date**) of a Knock-out Event and/or a Knock-in Event as specified in the applicable Final Terms;

"**AES Margin**" is as defined in the applicable Final Terms.

"**AES Range Level**" means the range of levels, amounts, numbers or percentages specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions, as applicable;

"**AES Range Level 1**" means the range of levels, amounts, numbers or percentages specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions, as applicable;

"**AES Range Level 2**" means the range of levels, amounts, numbers or percentages specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions, as applicable;

"**AES Rate(s)**" means the rate(s) specified as such or determined in the manner set out in the applicable Final Terms with reference to each Automatic Early Settlement Date;

"**Automatic Early Settlement Amount**" means an amount equal to the Automatic Early Settlement Payout set out in the applicable Final Terms or, if not set out, an amount equal to the product of (i) the Notional Amount in respect of such Certificate and (ii) the sum of the relevant Automatic Early Settlement Percentage and the relevant AES Rate relating to that Automatic Early Settlement Date provided that if the Automatic Early Settlement Payout is zero, no amount shall be payable on settlement of the Certificate pursuant to this Security Condition. If the Automatic Early Settlement Amount is not an amount in the Settlement Currency specified in the applicable Final Terms, it will be converted into the Settlement Currency at the Exchange Rate specified in the applicable Final Terms;

"**Automatic Early Settlement Date**" means (i) if Target Automatic Early Settlement Payout, FI Underlying Automatic Early Settlement Payout or FI Coupon Automatic Early Settlement Payout is specified as applicable in the applicable Final Terms, the Remuneration Payment Date immediately following the Automatic Early Settlement Valuation Date on which an Automatic Early Settlement Event occurs, or, otherwise, (ii) each date specified as such in the applicable Final Terms, or if such date is not a Business Day, the next following Business Day, and no Securityholder shall be entitled to any interest or further payment in respect of such delay;

"**Automatic Early Settlement Event**" means:

(a) if Target Automatic Early Settlement Payout is specified as applicable in the applicable Final Terms, that the Cumulative Remuneration is equal to or greater than the Automatic Early Settlement Percentage;

(b) if FI Underlying Automatic Early Settlement Payout is specified as applicable in the applicable Final Terms, that:

(i) (in respect of an Underlying Reference (other than an Alternative Currency)) the Underlying Reference Level is; or

(ii) (in respect of an Alternative Currency), the FX Coupon Performance determined by the Calculation Agent is

equal to or greater than the Automatic Early Settlement Level 1 and (ii) less than or equal to the Automatic Early Settlement Level 2;

(c) if FI Coupon Automatic Early Settlement Payout is specified as applicable in the applicable Final Terms, that the product of (i) the Remuneration Rate and (ii) the Day Count Fraction, in each case in respect of the Current Remuneration Period is equal to or greater than the relevant Automatic Early Settlement Percentage;

(d) if Standard Automatic Early Settlement and MFP AES Valuation are specified as applicable in the applicable Final Terms, that:

(i) the MFP AES Value 1 in respect of the AES Event 1 Underlying(s) is (aa) "greater than", (bb) "greater than or equal to", (cc) "less than", (dd) "less than or equal to" the Automatic Early Settlement Level 1, or (ee) "within" the AES Range Level, or (ff) "outside" the AES Range Level 1, all as specified in the applicable Final Terms (the "**Automatic Early Settlement Event 1**"); and/or (as specified in the applicable Final Terms)

(ii) if Automatic Early Settlement Event 2 is specified as applicable in the applicable Final Terms, the MFP AES Value 2 in respect of the AES Event 2 Underlying(s) is (aa) "greater than", (bb) "greater than or equal to", (cc) "less than", (dd) "less than or equal to" the Automatic Early Settlement Level 2 or (ee) "within" the AES Range Level, (ff) "outside" the AES Range Level 2, all as specified in the applicable Final Terms (the "**Automatic Early Settlement Event 2**");

(e) if Standard Automatic Early Settlement is specified as applicable in the applicable Final Terms and MFP AES Valuation is specified as not applicable in the applicable Final Terms that:

(i) (A) if AES Event 1 Basket is specified as not applicable in the applicable Final Terms, the Underlying Reference Level 1 or (B) if AES Event 1 Basket is specified as applicable in the applicable Final Terms, the Basket Price 1 is, (aa) "greater than", (bb) "greater than or equal to", (cc) "less than", (dd) "less than or equal to" the Automatic Early Settlement Level 1, or (ee) "within" the AES Range Level, or (ff) "outside" the AES Range Level 1, as specified in the applicable Final Terms (the "**Automatic Early Settlement Event 1**"); and/or (as specified in the applicable Final Terms)

(ii) if Automatic Early Settlement Event 2 is specified as applicable in the applicable Final Terms (A) if AES Event 2 Basket is specified as not applicable in the applicable Final Terms, the Underlying Reference Level 2 or (B) if AES Event 2 Basket is specified as applicable in the applicable Final Terms, the Basket Price 2 is, (aa) "greater than", (bb) "greater than or equal to", (cc) "less than", (dd) "less than or equal to" the Automatic Early Settlement Level 2, or (ee) "within" the AES Range Level, (ff) "outside" the AES Range Level 2, as specified in the applicable Final Terms (the "**Automatic Early Settlement Event 2**");

(f) if Single Standard Automatic Early Settlement and MFP AES Valuation are specified as applicable in the applicable Final Terms, that the MFP AES Value is (aa) "greater than", (bb) "greater than or equal to", (cc) "less than", (dd) "less than or equal to" the Automatic Early Settlement Level, or (ee)

"within" the AES Range Level, or (ff) "outside" the AES Range Level, as specified in the applicable Final Terms;

(g) if Single Standard Automatic Early Settlement is specified as applicable in the applicable Final Terms and MFP AES Valuation is specified as not applicable in the applicable Final Terms that (A) in the case of a single Underlying Reference, the Underlying Reference Level or (B) in the case of a Basket of Underlying References, the Basket Price is, (aa) "greater than", (bb) "greater than or equal to", (cc) "less than" (dd) "less than or equal to" the Automatic Early Settlement Level, or (ee) "within" the AES Range Level, (ff) "outside" the AES Range Level, as specified in the applicable Final Terms;

(h) if AES Knock-out is specified in the applicable Final Terms, an AES Knock-out occurs;

(i) if Leveraged Automatic Early Settlement is specified as applicable in the applicable Final Terms that the Reference Level is, (aa) "greater than", (bb) "greater than or equal to", (cc) "less than" or (dd) "less than or equal to" the Leveraged Barrier, as specified in the applicable Final Terms;

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

"**Automatic Early Settlement Level 1**" means the level, amount, number or percentage specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions, as applicable;

"**Automatic Early Settlement Level 2**" means the level, amount, number or percentage specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions, as applicable;

"**Automatic Early Settlement Percentage(s)**" means the percentage(s) specified as such in the applicable Final Terms with reference to each Automatic Early Settlement Date;

"**Automatic Early Settlement Valuation Date**" means (i) the AES Knock-out Date or (ii) each date specified as such in the applicable Final Terms (including the AES 1 Settlement Valuation Date and AES 2 Settlement Valuation Date (if any)) or, if such date is not a Scheduled Trading Day (in the case of Index Securities, Share Securities, Debt Securities or ETI Securities), a Commodity Business Day (in respect of Commodity Securities), a Fund Business Day (in the case of Fund Securities) or Business Day (in the case of other Securities), as applicable, the next following Scheduled Trading Day, Commodity Business Day, Fund Business Day or Business Day, as applicable, unless, in the case of Index Securities, Share Securities, Commodity Securities, Debt Securities or ETI Securities, in the opinion of the Calculation Agent, any such day is a Disrupted Day (in the case of Index Securities, Share Securities, Debt Securities or ETI Securities, a or a Market Disruption Event is occurring on such day (in respect of Commodity Securities). If any such day is a Disrupted Day, or (except in the case of Commodity Securities) a day on which a Market Disruption Event is occurring, as applicable, then the corresponding provisions in the definition of "Valuation Date" shall apply *mutatis mutandis* as if references in such provisions to "Valuation Date" were

to "Automatic Early Settlement Valuation Date" or (in the case of Commodity Securities) if any such day is a day on which a Market Disruption Event is occurring, then the provisions of "Pricing Date" shall apply *mutatis mutandis* as if references in such provision to "Pricing Date" were to "Automatic Early Settlement Valuation Date". For the purposes of the Relevant Adjustment Provisions, any references to "Valuation Date" shall be deemed to refer to the "Automatic Early Settlement Valuation Date";

"**Automatic Early Settlement Valuation Period**" means the period (including the AES 1 Settlement Valuation Period and AES 2 Settlement Valuation Period (if any)) specified as such in the applicable Final Terms;

"**Automatic Early Settlement Valuation Time**" means the time specified as such in the applicable Final Terms;

"**Basket of Underlying References**" means, for the purposes of this Security Condition 17.5, the Basket of Indices, Basket of Shares, ETI Basket, Basket of Debt Instruments, Basket of Commodities, Basket of Futures, Fund Basket or other basis of reference to which the value of the relevant Securities may relate, as specified in the applicable Final Terms;

"**Basket Price**" means, in respect of any Automatic Early Settlement Valuation Date, an amount determined by the Calculation Agent equal to the sum of the values for each Underlying References comprising the Basket as the product of (a) the Underlying Reference Level of such Underlying References comprising the Basket on such Automatic Early Settlement Valuation Date and (b) the relevant Weighting;

"**Basket Price 1**" means, in respect of any AES 1 Settlement Valuation Date, an amount determined by the Calculation Agent equal to the sum of the values for each AES Event 1 Underlying comprising the Basket as the product of (a) the Underlying Reference Level 1 of such AES Event 1 Underlying on such AES 1 Settlement Valuation Date and (b) the relevant Weighting;

"**Basket Price 2**" means, in respect of any AES 2 Settlement Valuation Date, an amount determined by the Calculation Agent equal to the sum of the values for each AES Event 2 Underlying comprising the Basket as the product of (a) the Underlying Reference Level 2 of such AES Event 2 Underlying on such AES 2 Settlement Valuation Date and (b) the relevant Weighting;

"**Cumulative Remuneration**" means, in respect of an Automatic Early Settlement Valuation Date, (a) the sum of the values calculated for each Remuneration Period preceding the Current Remuneration Period as the product of (i) the Remuneration Rate and (ii) the Day Count Fraction, in each case for such Remuneration Period plus (b) the product of (i) the Remuneration Rate and (ii) the Day Count Fraction, in each case for the Current Remuneration Period;

"**Current Remuneration Period**" means, in respect of an Automatic Early Settlement Valuation Date, the Remuneration Period during which such Automatic Early Settlement Valuation Date falls;

"**Early Settlement Entitlement**" means, in relation to a Physical Delivery Certificate, and an Underlying Reference or, as the case may be, a Component, the quantity of the Relevant Asset or the Relevant Assets,

as the case may be, which a Securityholder is entitled to receive on the Automatic Early Settlement Date in respect of each such Certificate following payment of any sums payable and Expenses rounded down as provided in Security Condition 17.3 (*Physical Settlement*), as determined by the Calculation Agent including any documents evidencing such Entitlement, specified in the applicable Final Terms or in accordance with the following:

(a) the Entitlement Units; multiplied by

(b) the Entitlement Multiplier; multiplied by

(c) in respect of any Underlying Reference constituted by a Basket, the relevant Weighting;

"**Entitlement Units**" is as defined in the applicable Final Terms;

"**Entitlement Multiplier**" is as defined in the applicable Final Terms;

"**Leveraged Barrier**" is as defined in the applicable Final Terms;

"**Maximum AES Reference Rate**" is the rate specified in the applicable Final Terms;

"**Minimum AES Reference Rate**" is the rate specified in the applicable Final Terms;

"**Multiple Underlying Interest Rate Gearing**" means, in respect of an Underlying Interest $\text{Rate}_{(i)}$ specified in the applicable Final Terms as a Multiple Underlying Component Rate, the number specified as such in the applicable Final Terms;

"**Multiple Underlying Reference Rate**" means, in respect of an Underlying Interest $\text{Rate}_{(i)}$ specified in the applicable Final Terms as a Multiple Underlying Component Rate, the Underlying Reference Rate determined in respect of such Underlying Interest Rate;

"**Multiple Underlying Reference Rate Value**" means the value calculated in accordance with the following formula:

$$\sum_{i=1}^{n} \text{Multiple Underlying Interest Rate Gearing}_{(i)} \times \text{Multiple Underlying Reference Rate}_{(i)}$$

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

"**Reference Level**" means the value calculated in accordance with the following formula:

$$\text{Reference Level}_0 \times (1 + \text{Participation Factor} \times (\text{Fund Level}_t - \text{Fund Level}_0) / \text{Fund Level}_0 - (\text{Participation Factor}-1) \times \text{Fees}_t)$$

Where:

"**Reference Level$_0$**" means the number (expressed as a percentage) specified in the Final Terms.

"**Fund Level$_0$**" means the Settlement Price of the relevant Underlying Reference(s) as of the Fixing Date.

"**Fund Level$_t$**" means, in respect of an Automatic Early Settlement Valuation Date, the Settlement Price of the relevant Underlying Reference(s) as of the Calculation Date immediately preceding such Automatic Early Settlement Valuation Date.

"**Fixing Date**" means the Calculation Date immediately preceding the First Calculation Date.

"**Calculation Date**" means each day which is a Fund Business Day.

"**First Calculation Date**" means the date specified as such in the applicable Final Terms.

"**Fees$_t$**" means the cumulative leverage fee, expressed as a percentage and calculated by the Calculation Agent as the aggregate sum of the Fees Accrued during each Fees Accrual Period.

"**Fees Accrued**" means, in respect of a Fee Accrual Period, the fees accrued during such period, expressed as a percentage and calculated by the Calculation Agent as follows:

(Fee ISDA Rate + Fee Margin) × Day Count Fraction

"**Fee ISDA Rate**" means the floating rate determined according to the ISDA Determination under Security Condition 22(d)(i) as indicated in the applicable Final Terms.

"**Fee Margin**" is as defined in the applicable Final Terms.

"**Fee Accrual Period(s)**" means the periods commencing on (and including) the Fee Accrual Commencing Date up to (but excluding) the first Fee Accrual Date and each subsequent period commencing on (and including) a Fee Accrual Date up to (but excluding) the next following Fee Accrual Date. For the purposes of this Security Condition 17.5 (*Automatic Early Settlement)* and in relation to an Automatic Early Settlement Valuation Date, the last Fee Accrual Period shall be deemed to end (but exclude) on the Calculation Date immediately preceding such Automatic Early Settlement Valuation Date.

"**Fee Accrual Commencing Date**" is as defined in the applicable Final Terms.

"**Fee Accrual Date(s)**" is as defined in the relevant Final Terms.

"**Participation Factor**" is as defined in the applicable Final Terms.

"**Day Count Fraction**" is as defined in the applicable Final Terms.

"**Relevant Adjustment Provisions**" means:

(a) in the case of Index Securities, Index Security Condition 2 (*Market Disruption*) and Index Security Condition 3 (*Adjustments to an Index*);

(b) in the case of Share Securities, Share Security Condition 2 (*Market Disruption*), Share Security Condition 3 (*Potential Adjustment Events*) and Share Security Condition 5 (*Extraordinary Events*);

(c) in the case of ETI Securities, ETI Security Condition 2 (*Market Disruption*) and ETI Security Condition 3 (*Potential Adjustment Events*);

(d) in the case of Commodity Securities, Commodity Security Condition 2 (*Market Disruption*) Commodity Security Condition 3 (*Consequences of a Market Disruption Event and a Disruption Fallbacks*) and Commodity Security Condition 4 (*Adjustments to a Commodity Index);*

(e) in the case of Currency Securities, Currency Security Condition 2 (*Disruption Events*), Currency Security Condition 3 (*Consequences of a Disruption Event*);

(f) in the case of Fund Securities, Fund Security Condition 4 (*Consequences of an Extraordinary Fund Event*);

(g) in the case of Futures Securities, Futures Security Condition 3 (*Adjustments to a Future*); and

(h) in the case of Debt Securities, Debt Security Condition 3 (*Market Disruption*), Debt Security Condition 4 (*Correction of Debt Instrument Price*) and Debt Security Condition 5 (*Redemption or Cancellation of a Debt Intrument*);

"**MFP AES Value**" means the value from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (G*reatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts)*, 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms;

"**MFP AES Value 1**" means the value from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (G*reatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts)*, 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms;

"**MFP AES Value 2**" means the value from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (G*reatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts)*, 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms;

"**Underlying Reference**" means, for the purposes of this Security Condition 17.5 each Index, Share, Debt Instrument, ETI Interest, Commodity, Commodity Index, Alternative Currency, Future, Fund, Underlying Interest Rate or other basis of reference to which the relevant Securities relate. If two or more Underlying Interest Rates are specified in the applicable Final Terms as Multiple Underlying Component Rates each Underlying Interest $Rate_{(i)}$ specified as such (together the "**Multiple Underlying Interest Rate**") will be calculated separately and independently but for the purposes of this Security Condition 17.5 and the Underlying Interest Rate Security Conditions shall be deemed to together constitute an Underlying Reference;

"**Underlying Reference Level**" means, in respect of any Automatic Early Settlement Valuation Date, (i) "official level", "official close", "last price", "bid price" or "asked price" of the Underlying Reference or the Italian Securities Reference Price, as specified in the applicable Final Terms published by the Observation Price Source specified in the Final Terms or (ii) if Standard Price is specified as applicable in the applicable Final Terms (a) in the case of Share Securities, ETI Securities and Futures Securities, the price of the relevant Underlying Reference, (b) in the case of Index Securities, the level of the relevant Underlying Reference, (c) in the case of Commodity Securities, the Relevant Price, (d) in the case of Currency Securities, the spot rate of exchange for the exchange of the Alternative Currency into the Base Currency (expressed as the number of units (or part units) of such Alternative Currency for which one unit of the Base Currency can be exchanged), (e) in the case of an Inflation Index, the Relevant Level, (f) in the case of an Underlying Interest Rate, the Underlying Reference Rate, or (g) if FI Underlying Automatic Early Settlement Payout is specified as applicable in the applicable Final Terms and Multiple Underlying Interest Rate is specified as applicable, the Multiple Underlying Reference Rate Value, in each case, as determined by the Calculation Agent as of the Automatic Early Settlement Valuation Time on such Automatic Early Settlement Valuation Date or, in the case of the "official close" level, at such time on such Automatic Early Settlement Valuation Date as the "official close" level is published by the Observation Price Source;

"**Underlying Reference Level 1**" means, in respect of any AES 1 Settlement Valuation Date, (i) if Standard Price is specified as applicable in the applicable Final Terms, (a) in the case of Share Securities, ETI Securities and Futures Securities, the price of the relevant AES Event 1 Underlying, (b) in the case of Index Securities, the level of the relevant AES Event 1 Underlying, (c) in the case of Commodity Securities, the Relevant Price, or (d) in the case of Currency Securities, the spot rate of exchange for the exchange of the Alternative Currency into the Base Currency (expressed as the number of units (or part units) of such Alternative Currency for which one unit of the Base Currency can be exchanged), or (e) in the case of an Inflation Index, the Relevant Level, or (f) in the case of an Underlying Interest Rate, the Underlying Reference Rate, in each case, as determined by the Calculation Agent as of the Automatic Early Settlement Valuation Time on such AES 1 Settlement Valuation Date or (ii) in the case of Debt Securities or Currency Securities to which Futures Price Valuation applies, the "last price" of the relevant AES Event 1 Underlying published by the Observation Price Source specified for such AES Event 1 Underlying; and

"**Underlying Reference Level 2**" means, in respect of any AES 2 Settlement Valuation Date, (i) if Standard Price is specified as applicable in the applicable Final Terms, (a) in the case of Share Securities, ETI Securities and Futures Securities, the price of the relevant AES Event 2 Underlying, (b) in the case of

Index Securities, the level of the relevant AES Event 2 Underlying, (c) in the case of Commodity Securities, the Relevant Price, or (d) in the case of Currency Securities, the spot rate of exchange for the exchange of the Alternative Currency into the Base Currency (expressed as the number of units (or part units) of such Alternative Currency for which one unit of the Base Currency can be exchanged), or (e) in the case of an Inflation Index, the Relevant Level, or (f) in the case of an Underlying Interest Rate, the Underlying Reference Rate, in each case, as determined by the Calculation Agent as of the Automatic Early Settlement Valuation Time on such AES 2 Settlement Valuation Date or (ii) in the case of Debt Securities or Currency Securities to which Futures Price Valuation applies, the "last price" of the relevant AES Event 2 Underlying published by the Observation Price Source specified for such AES Event 2 Underlying.

(d) AES Rate Determination

(i) Where the applicable Final Terms specify that the AES Rate is determined by reference to a Screen Rate, the AES Rate 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 AES Reference Rate(s) which appears or appear, as the case may be, on the AES Screen Page (or such replacement page on that service which displays the information) as at the AES 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) (the "**Screen Page AES Rate**") on the AES Reference Rate Determination Date in question plus or minus (as indicated in the applicable Final Terms) the AES Margin (if any), all as determined by the Calculation Agent. If five or more of such offered quotations are available on the AES Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the AES Screen Page is not available or if, in the case of subparagraph (i)(a), no offered quotation appears on the AES Screen Page (or such replacement page on that service which displays the information) or, in the case of subparagraph (i)(b), fewer than three offered quotations appear on the AES Screen Page (or such replacement page on that service which displays the information), in each case as at the AES Specified Time, except as provided in paragraph (iii) below, the Calculation Agent shall request each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate *per annum)* for the AES Reference Rate at the AES Specified Time on the AES Reference Rate Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with offered quotations, the AES Rate shall be the arithmetic mean (rounded if necessary to the nearest 0.001 with 0.0005 being rounded upwards) of the relevant quotations, eliminating the highest quotation (or in the event that two or more quotations are identical, one of the highest) and the lowest (or in the event that two

or more quotations are identical, one of the lowest) plus or minus (as appropriate) the AES Margin (if any), all as determined by the Calculation Agent.

If on any AES Reference Rate Determination Date one only or none of the Reference Banks provides the Calculation Agent with an offered quotation as provided in the preceding paragraph, the AES Rate shall be the rate *per annum* which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the nearest 0.001, with 0.0005 being rounded upwards) of the rates per annum, as communicated to the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, at the AES Specified Time on the relevant AES Reference Rate Determination Date, deposits in the Settlement Currency for a period equal to that which would have been used for the AES Reference Rate by leading banks in the inter-bank market plus or minus (as appropriate) the AES Margin (if any).

If fewer than two of the Reference Banks provide the Calculation Agent with offered rates, the AES Rate shall be offered rate for deposits in the Settlement Currency for a period equal to that which would have been used for the AES Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Settlement Currency for a period equal to that which would have been used for the AES Reference Rate, at which, at the AES Specified Time on the relevant AES Reference Rate Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Calculation Agent suitable for the purpose) informs the Calculation Agent it is quoting to leading banks in the inter-bank market applicable to the AES Reference Rate (which will be the London inter-bank market, if the AES Reference Rate is LIBOR, or the Euro-zone inter-bank market, if the AES Reference Rate is EURIBOR) plus or minus (as appropriate) the AES Margin (if any) as determined by the Calculation Agent.

If the AES Rate cannot be determined in accordance with the foregoing provisions of this paragraph, the Calculation Agent shall determine the AES Rate from such source(s) as it acting in good faith and in a commercially reasonable manner may select, except that if the Calculation Agent determines that the absence of the quotation is due to the discontinuation of the Screen Page AES Rate, then the AES Reference Rate will be determined in accordance with paragraph below, provided that if such discontinuation is an Administrator/Benchmark Event which has been specified as an Optional Disruption Event then the Issuer may make such adjustment or redeem the Securities pursuant to the provisions set out in Security Condition 13 and in such case the paragraph below shall not apply.

(ii) If the Calculation Agent determines (ii) at any time prior to any AES Reference Rate Determination Date, that the Screen Page AES Rate has been discontinued, the Calculation Agent will use, as a substitute for the Screen Page AES Rate, the alternative reference rate selected by the central bank, reserve bank, monetary authority or any similar institution (including any committee or working group thereof) in the jurisdiction of the currency of the relevant rate that is consistent with industry accepted standards, provided that if the Calculation Agent notifies the Issuer that it is unable to determine such an alternative reference rate, the Calculation Agent will as soon as reasonably practicable (and in any event before the Business Day prior to the applicable AES Reference Rate Determination Date) appoint an agent (the "**Reference Rate**

Determination Agent"), which will determine whether a substituteor successor rate, which is substantially comparable to the Screen Page AES Rate, is available for the purpose of determining the AES Reference Rate on each AES Reference Rate Determination Date falling on or after the date of such determination. If the Reference Rate Determination Agent determines that there is an industry accepted successor rate, the Reference Rate Determination Agent will notify the Issuer of such successor rate to be used by the Calculation Agent to determine the AES Rate.

If the Reference Rate Determination Agent or the Calculation Agent, as applicable, has determined a substitute or successor rate in accordance with the foregoing paragraph (such rate, the "**Replacement AES Reference Rate**"), for the purpose of determining the AES Reference Rate on each AES Reference Rate Determination Date falling on or after such determination:

A) the Reference Rate Determination Agent or the Calculation Agent, as applicable, will also determine the changes (if any) required to the applicable Business Day Convention, the definition of Business Day, the AES Reference Rate Determination Date, the Day Count Fraction, and any method for obtaining the Replacement AES Reference Rate, including any adjustment needed to make such Replacement AES Reference Rate comparable to the Screen Page AES Rate, in each case acting in good faith and in a commercially reasonable manner that is consistent with industry-accepted practices for such Replacement AES Reference Rate;

B) references to the AES Reference Rate in these Conditions will be deemed to be references to the relevant Replacement AES Reference Rate, including any alternative method for determining such rate as described in above;

C) the Reference Rate Determination Agent or the Calculation Agent, as applicable, will notify the Issuer of the Replacement AES Reference Rate, and the details described in above, as soon as reasonably practicable; and

D) the Issuer will give notice to the Holders Security Condition 8 (*Notices*) and the Calculation Agent of the Replacement AES Reference Rate, and the details described in above as soon as reasonably practicable but in any event no later than 5:00 p.m. (London time) on the Business Day prior to the applicable AES Reference Rate Determination Date.

The determination of the Replacement AES Reference Rate and the other matters referred to above by the Reference Rate Determination Agent or the Calculation Agent, as applicable, will (in the absence of manifest error) be final and binding on the Issuer, the Calculation Agent and the Holders, unless the Issuer, the Calculation Agent or the Reference Rate Determination Agent determines at a later date that the Replacement AES Reference Rate is no longer substantially comparable to the AES Reference Rate or does not constitute an industry accepted successor rate, in which case the Calculation Agent shall appoint or re-appoint a Reference Rate Determination Agent, as the case may be (which may or may not be the same entity as the original Reference Rate Determination Agent or the Calculation Agent) for the purpose of confirming the Replacement AES Reference Rate or determining a substitute Replacement AES Reference Rate in an identical manner as described in this paragraph (ii). If the Reference Rate Determination Agent

or the Calculation Agent, as applicable, is unable to or otherwise does not determine a substitute Replacement AES Reference Rate, then the Replacement AES Reference Rate will remain unchanged.

The Reference Rate Determination Agent may be (x) a leading bank, broker-dealer or benchmark agent in the principal financial centre of the relevant rate as appointed by the Calculation Agent, (y) the Issuer or the Guarantor (if applicable) or (z) an affiliate of the Issuer, the Guarantor (if applicable) or the Calculation Agent.

If the Reference Rate Determination Agent or the Calculation Agent, as applicable, is unable to or otherwise does not determine a Replacement AES Reference Rate, then the Replacement AES Reference Rate, shall be equal to the last AES Reference Rate available on the Relevant Screen Page, plus or minus (as appropriate) the AES Margin (if any), as determined by the Calculation Agent.

If the applicable Final Terms specifies a Minimum AES Reference Rate then, in the event that the AES Reference Rate determined in accordance with the above provisions is less than such Minimum AES Reference Rate, the AES Rate shall be such Minimum AES Reference Rate.

If the applicable Final Terms specifies a Maximum AES Reference Rate then, in the event that the AES Reference Rate determined in accordance with the above provisions is greater than such Maximum AES Reference Rate, the AES Rate shall be such Maximum AES Reference Rate.

17.6. *Automatic Early Settlement – Automatic Early Settlement Payout Capitalised Call and Put Securities 1*

Notwithstanding Security Condition 17.5 (*Automatic Early Settlement*), if "Automatic Early Settlement" and Automatic Early Settlement Payout Capitalised Call and Put Securities 1 are specified as being applicable in the applicable Final Terms and the Certificates are not OET Certificates, then unless previously settled or purchased and cancelled, if an Automatic Early Settlement Event occurs, then the Certificates will be automatically settled in whole, but not in part, on the date falling the number of Business Days specified in the applicable Final Terms following the Valuation Date (as defined in Formulas Condition 1.2 *(Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Payout Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*) (the "**Automatic Early Settlement Date**") and the amount payable by the Issuer upon settlement of each Certificate shall be an amount equal to the relevant Automatic Early Settlement Amount.

For these purposes:

"**Automatic Early Settlement Amount**" means an amount in the Settlement Currency (as defined in Formulas Condition 1.2 *(Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Payout Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*)) equal to the Automatic Early Settlement Payout set out in the applicable Final Terms. If the Automatic Early Settlement Payout is zero, no amount shall be payable on settlement of the Certificate pursuant to this Security Condition 17.6.

The Automatic Early Settlement Amount shall be rounded to the nearest sub-unit of the relevant Settlement Currency half of any sub-unit being rounded upwards or otherwise in accordance with applicable market convention;

"**Automatic Early Settlement Event**" means that, as determined by the Calculation Agent, at the Observation Time(s) (as defined in Formulas Condition 1.2 *(Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Payout Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*)) on an Automatic Early Settlement Valuation Date (the "**Relevant Automatic Early Settlement Valuation Date**"):

(a) with respect to a Call Certificate, the Observation Price (as defined in Formulas Condition 1.2 *(Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Payout Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*)) is less than or equal to the applicable Security Threshold (as defined in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Payout Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*))*;* or

(b) with respect to a Put Certificate, the Observation Price is greater than or equal to the applicable Security Threshold; and

"**Automatic Early Settlement Valuation Date**" means each Relevant Business Day (as defined in Formulas Condition 1.2 *(Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Payout Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*) from (and including) the Issue Date (notwithstanding the occurrence of (in the case of Index Securities, Share Securities, ETI Securities or Currency Securities) a Disrupted Day, (in the case of Commodity Securities) a Commodity Disrupted Day or (otherwise) a Market Disruption Event.

17.7. *Issuer Call Option*

If the Call Option is specified in the relevant Final Terms as being applicable, then the following provisions will apply:

(a) if European Style is specified in the relevant Final Terms as being applicable, then the Issuer may, on giving irrevocable prior notice (the "**Call Option Exercise Notice**") to the Securityholders in accordance with Condition 8 (*Notices*) – which notice must be given to the Securityholders no later than the last day of the relevant Call Option Exercise Notice Period specified in the relevant Final Terms - exercise the Issuer's option in relation to all or some of the Certificates. The relevant Certificates will be settled on the relevant Optional Settlement Date (Call) indicated in the Final Terms. Any such settlement of such Certificates shall be at their Optional Cash Settlement Amount (Call), determined on the date specified in the relevant Final Terms (the "**Optional Settlement Valuation Date**"), together with any remuneration (if any), calculated as if it was accrued to such date, unless otherwise specified in the relevant Final Terms in accordance with this Security Condition.

(b) If American Style is specified in the relevant Final Terms as being applicable, then the Issuer may, at any time during the Call Option Exercise Notice Period specified in the relevant Final Terms, exercise the Issuer's option in relation to all or some of the Certificates, by giving prior notice to the Securityholders in accordance with Condition 8 (*Notices*) – which notice must be given to the Securityholders no later than the end of the Call Option Exercise Notice Period. The relevant Certificates will be settled on the relevant Optional Settlement Date (Call) specified in the relevant Call Option Exercise Notice and/or determined on the Optional Settlement Valuation Date in accordance with the relevant Final Terms at their Optional Cash Settlement Amount (Call) together with any remuneration (if any), calculated as if it was accrued to such date, unless otherwise specified in the relevant Final Terms in accordance with this Security Condition.

The "**Optional Cash Settlement Amount (Call)**" in respect of each Certificate shall be an amount calculated by the Calculation Agent equal to:

a) the amount in the Settlement Currency specified inthe relevant Final Terms; or

b) the Call Payout as specified in the applicable Final Terms, provided that if the Call Payout is zero, no amount shall be payable on settlement of such Certificate.

In the case of a partial exercise of an Issuer's option the Call Option Exercise Notice to the Securityholders shall also contain the serial numbers of the Certificates to be exercised, which shall have been drawn in such place as the Fiscal Agent may approve and in such manner as it deems appropriate, subject to compliance with any applicable laws and stock exchange requirements.

If Call Option Condition is specified in the relevant Final Terms as being applicable, then the Issuer may, only upon the occurrence of the Call Option Condition(s) as determined by the Calculation Agent and on giving irrevocable prior notice to the Securityholders in accordance with Condition 8 (*Notices*) (the "**Call Option Condition Exercise Notice**"), exercise the Issuer's option in relation to all (but not some) of the Certificates. The relevant Certificates will be settled on the relevant Optional Condition Settlement Date (Call) at their Optional Condition Cash Settlement Amount (Call) determined on the date spefied in the relevant Final Terms (the "**Optional Condition Settlement Valuation Date (Call)**") together with any remuneration (if any), calculated as if it was accrued up to such date, to such date, unless otherwise specified in the relevant Final Terms. For the avoidance of doubt, the Call Option Condition may apply in addition to, or as alternative to, the Call Option rights set forth above**.**

"**Call Option Condition(s)**" means, if the Call Option Condition is applicable in relation to the Certificates, the occurrence of a Call Option Event.

"**Call Option Event**" means that on (i) any Call Option Exercise Valuation Date or (ii) in respect of a Call Option Exercise Valuation Period, as specified in the applicable Final Terms:

A) the Settlement Price is, (aa) "greater than", (bb) "greater than or equal to", (cc) "less than" or (dd) "less than or equal to" the Call Trigger Barrier, as specified in the applicable Final Terms; or

B) if Leveraged Certificates Call Payout is specified as applicable in the applicable Final Terms, the Reference Level, is, (aa) "greater than", (bb) "greater than or equal to", (cc) "less than" or (dd) "less than or equal to" the Call Trigger Barrier, as specified in the applicable Final Terms.

"**Call Option Exercise Valuation Date**" means each date specified as such in the applicable Final Terms or, if such date is not a Scheduled Trading Day (in the case of Index Securities, Share Securities, Debt Securities or ETI Securities, a Commodity Business Day (in respect of Commodity Securities), a Fund Business Day (in the case of Fund Securities) or Business Day (in the case of other Securities), as applicable, the next following Scheduled Trading Day, Commodity Business Day, Fund Business Day or Business Day, as applicable, unless, in the case of Index Securities, Share Securities, Commodity Securities, Debt Securities or ETI Securities, in the opinion of the Calculation Agent, any such day is a Disrupted Day (in the case of Index Securities, Share Securities, Debt Securities or ETI Securities, a Market Disruption Event is occurring on such day (in respect of Commodity Securities). If any such day is a Disrupted Day, a day on which a Market Disruption Event is occurring, as applicable, then the corresponding provisions in the definition of "Valuation Date" shall apply *mutatis mutandis* as if references in such provisions to "Valuation Date" were to "Call Option Exercise Valuation Date" or (in the case of Commodity Securities) if any such day is a day on which a Market Disruption Event is occurring, then the provisions of "Pricing Date" shall apply *mutatis mutandis* as if references in such provision to "Pricing Date" were to "Call Option Exercise Valuation Date". For the purposes of the Relevant Adjustment Provisions, any references to "Valuation Date" shall be deemed to refer to the "Call Option Exercise Valuation Date";

"**Call Option Exercise Valuation Period**" means the period specified as such in the applicable Final Terms;

"**Call Option Exercise Valuation Time**" means the time specified as such in the applicable Final Terms;

"**Call Trigger Barrier**" means the means the number or value specified in the Final Terms;

"**Reference Level**" means the value calculated in accordance with the following formula:

Reference Level_0 × (1 + Participation Factor × (Fund Level_t - Fund Level_0) / Fund Level_0 - (Participation Factor-1) × Fees_t)

where:

"**Reference Level_0**" means the number (expressed as a percentage) specified in the Final Terms.

"**Fund Level_0**" means the Settlement Price of the relevant Underlying Reference(s) as of the Fixing Date.

"**Fund Level_t**" means, in respect of a Call Option Exercise Valuation Date, the Settlement Price as of the Calculation Date immediately preceding such Call Option Exercise Valuation Date.

"**Fixing Date**" means the Calculation Date immediately preceding the First Calculation Date.

"**Calculation Date**" means each day which is a Fund Business Day.

"**First Calculation Date**" means the date specified as such in the applicable Final Terms.

"**$Fees_t$**" means the cumulative leverage fee, expressed as a percentage and calculated by the Calculation Agent as the aggregate sum of the Fees Accrued during each Fees Accrual Period.

"**Fees Accrued**" means, in respect of a Fee Accrual Period, the fees accrued during such period, expressed as a percentage and calculated by the Calculation Agent as follows:

(Fee ISDA Rate + Fee Margin) × Day Count Fraction

"**Fee ISDA Rate**" means the floating rate determined according to the ISDA Determination under Security Condition 22(d)(i) as indicated in the applicable Final Terms.

"**Fee Margin**" is as defined in the applicable Final Terms.

"**Fee Accrual Period(s)**" means the periods commencing on (and including) the Fee Accrual Commencing Date up to (but excluding) the first Fee Accrual Date and each subsequent period commencing on (and including) a Fee Accrual Date up to (but excluding) the next following Fee Accrual Date. For the purposes of this Security Condition 17.7 and in relation to a Call Option Exercise Valuation Date, the last Fee Accrual Period shall be deemed to end (but exclude) on such Call Option Exercise Valuation Date.

"**Fee Accrual Commencing Date**" is as defined in the applicable Final Terms.

"**Fee Accrual Date(s)**" is as defined in the relevant Final Terms.

"**Participation Factor**" is as defined in the applicable Final Terms.

"**Day Count Fraction**" is as defined in the applicable Final Terms.

"**Optional Condition Cash Settlement Amount (Call)**" means, in relation to the Certificates, if the Call Option Condition is applicable (and a Call Option Event has occurred), the amount in the Settlement Currency which the Securityholder is entitled to receive. Such amount in respect of each Certificate shall be an amount calculated by the Calculation Agent equal to:

a) the amount in the Settlement Currency specified inthe relevant Final Terms; or

b) the Call Payout as specified in the applicable Final Terms, provided that if the Call Payout is zero, no amount shall be payable on settlement of such Certificate.

"**Underlying Reference**" means, for the purposes of this Security Condition 17.7 each Index, Share, Debt Instrument, ETI Interest, Commodity, Commodity Index, Alternative Currency, Future, Fund, Underlying Interest Rate or other basis of reference to which the relevant Securities relate. If two or more Underlying Interest Rates are specified in the applicable Final Terms as Multiple Underlying Component Rates each Underlying Interest $Rate_{(i)}$ specified as such (together the "**Multiple Underlying Interest Rate**") will be calculated separately and independently but for the purposes of this Security Condition 17.7 and the Underlying Interest Rate Security Conditions shall be deemed to together constitute an Underlying Reference;

17.8. *Securityholders Put Option*

If the Put Option is specified in the relevant Final Terms as being applicable, then the following provisions will apply:

(a) If European Style is specified in the relevant Final Terms as being applicable, the Issuer shall, at the option of the holder of any such Certificates, settle in whole (but not in part), such Certificates on the relevant Optional Settlement Date (Put) indicated in the Final Terms at their Optional Cash Settlement Amount (Put) determined on the date spefied in the relevant Final Terms (the "**Optional Settlement Valuation Date**") together with any remuneration (if any), calculated as if it was accrued up to such date, unless otherwise specified in the relevant Final Terms.

(b) If American Style is specified in the relevant Final Terms as being applicable, the Issuer shall, at the option of the holder of any such Certificates, settle in whole (but not in part), such Certificates on the relevant Optional Settlement Date (Put), being the Business Day falling the number of Business Days specified in the relevant Final Terms, after the receipt by the relevant Paying of the Put Option Exercise Notice (indicated in paragraph (c) below) or the notice (indicated in in paragraph (c) below), at the Optional Cash Settlement Amount (Put) determined on the Optional Settlement Valuation Date together with any remuneration (if any), calculated as if it was accrued, up to such date, unless otherwise specified in the relevant Final Terms.

(c) If the Certificate is a Definitive Security, to exercise the Put Option, the Securityholder must deliver at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the Put Option Exercise Notice Period, a duly completed and signed option exercise notice (the "**Put Option Exercise Notice**") in the form obtainable from any Paying Agent accompanied by the Certificate or evidence satisfactory to the Paying Agent concerned that the Certificate will, following delivery of the Put Option Exercise Notice, be held to its order or under its control in a manner reasonably satisfactory to the Paying Agent concerned.

(d) If the Certificate is held through Euroclear or Clearstream, Luxembourg, Monte Titoli, and/or any other relevant Clearing System, to exercise the Put Option, the Securityholder must, within the Put Option Exercise Notice Period, give notice to the Paying Agent concerned of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg, Monte Titoli, and/or any other relevant Clearing System (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg, Monte Titoli, and/or any other relevant Clearing System or any common depositary for them to the Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg, Monte Titoli, and/or any other relevant Clearing System from time to time (the "**Put Option Exercise Notice**").

The Put Option Exercise Notice is irrevocable and (except as provided in the Issue and Paying Agent Agreement) may not be withdrawn without the prior consent of the Issuer.

The Put Option Exercise Notice shall be carried out in relation to a number of Certificates in the same series.

Any Put Option Exercise Notice, which has not been sent pursuant to this paragraph and within the terms specified in the relevant Final Terms and/or has not been received by the Paying Agent within the time specified above, will not be considered valid. Once the Put Option Exercise Notice is delivered, the Certificates in respect of which the Put Option has been exercised shall not be transferred to third parties.

The "**Optional Cash Settlement Amount (Put)**" in respect of each Certificate shall be an amount calculated by the Calculation Agent equal to:

a) the amount in the Settlement Currency specified inthe relevant Final Terms; or

b) the Put Payout as specified in the applicable Final Terms, provided that if the Put Payout is zero, no amount shall be payable on settlement of such Certificate.

18. SETTLEMENT IN INSTALMENTS

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

If the applicable Final Terms specify that the Instalment Certificates are Instalment Certificates (with NA Adjustment), each Certificate will be settled (i) in part by payment of the Instalment Amount on the Instalment Date and (ii) with final settlement being made pursuant to Security Condition 17.1 (*Exercise Date*) and Security Condition 17.2 (*Cash Settlement*). The Instalment Amount in respect of the Instalment Date will be an amount calculated by the Calculation Agent equal to the product of the Notional Amount immediately prior to the Instalment Date and the Instalment Percentage specified in the applicable Final Terms. Following the Instalment Date, the Notional Amount shall be reduced by the Instalment Amount and all calculations and determinations in respect of the Certificates shall be made on the basis of the Notional Amount as so reduced.

19. PAYOUT SWITCH

19.1. If Payout Switch is specified as applicable in the applicable Final Terms (i) if Payout Switch Election is specified as applicable in the applicable Final Terms, the Issuer may elect that or (ii) if Automatic Payout Switch is specified as applicable in the applicable Final Terms and an Automatic Payout Switch Event occurs, the Final Payout for the Certificates will be amended (including any relevant Underlying Reference(s) as applicable) (a "**Payout Switch**") from the Final Payout specified in the Final Terms to the Switched Payout specified in the applicable Final Terms on and after the Payout Switch Date specified in the applicable Final Terms. Notice of any Payout Switch will be given to Securityholders in accordance with Security Condition 8 (*Notices*).

"**Automatic Payout Switch Event**" means that the MFP APS Value is (a) "greater than", (b) "equal to or greater than", (c) "less than" or (d) "less than or equal to", as specified in the applicable Final Terms, the Automatic Payout Switch Level, (x) on a MFP APS Valuation Date or (y) in respect of a MFP APS Valuation Period, as specified in the applicable Final Terms;

"**Automatic Payout Switch Level**" means the number, amount, level or percentage specified as such in the applicable Final Terms;

"MFP APS Value" means the value from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (G*reatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts)*, 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms;

"**MFP APS Valuation Date**" means each Averaging Date, Pricing Date and/or Settlement Price Date specified as such in the applicable Final Terms; and

"**MFP APS Valuation Period**" means each period specific as such in the applicable Final Terms.

20. EARLY SETTLEMENT AMOUNTS

(a) If Highest Value is specified as applicable in the applicable Final Terms, the greater of the fair market value of a Security or, as the case may be, Settled Amount (notwithstanding any illegality (if applicable) and taking into account any Additional Disruption Event, Optional Additional Disruption Event, Index Adjustment Event, Non-Commencement or Discontinuance of an Exchange-traded Contract, Extraordinary Event, Commodity Index Adjustment Event, Market Disruption Event, Index Cancellation, Extraordinary Fund Event, or Futures Adjustment Event as the case may be) and the Protected Amount specified in the applicable Final Terms or, as the case may be, proportionate share of such Protected Amount, provided that, (x) no costs shall be deducted from such amount and (y) such amount shall include the reimbursement by the Issuer, *pro rata* (calculated from the early settlement date or, as the case may be, partial settlement date, notified to the Securityholders until the scheduled Settlement Date of the Security), of any costs or, as the case may be, proportionate share of such costs, (including but not limited to any structuring costs) paid by Securityholders to the Issuer in the Issue Price of the Securities, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, such amount to be paid to the Securityholders on the date notified to the Securityholders in the notice of early settlement or, as the case may be, notice of partial settlement;

(b) if Market Value is specified as applicable in the applicable Final Terms, the fair market value of a Security or, as the case may be, Settled Amount (notwithstanding any illegality (if applicable) and taking into account any Additional Disruption Event, Optional Additional Disruption Event, Index Adjustment Event, Non-Commencement or Discontinuance of an Exchange-traded Contract, Extraordinary Event, Commodity Index Adjustment Event, Market Disruption Event, Index Cancellation, Extraordinary Fund Event, or Futures Adjustment Event, as applicable) calculated (x) without taking account of any costs and no costs shall be deducted from such amount, and (y) including the reimbursement by the Issuer, *pro rata* (calculated from the early settlement date or, as the case may be, partial settlement date notified to the Securityholders until the scheduled Settlement Date of the Securities), of any costs or, as the case may be, proportionate share of such costs (including but not limited to any structuring costs) paid by Securityholders to the Issuer in the Issue Price of the Securities Securities, such an amount to be paid to the Securityholders on the date notified in the notice of early

settlement or, as the case may be, notice of partial settlement;

(c) if Monetisation Option is specified as applicable in the applicable Final Terms:

(i) the Monetisation Amount (as defined below), such amount to be paid by the Issuer (notwithstanding the notice of early settlement) on the Settlement Date; or

(ii) if the Securityholder duly elects to receive the fair market value, as provided below, the Market Value calculated in accordance with Condition 20 (b) of such Security, such amount to be paid by the Issuer on the date fixed for early settlement, as notified to the Securityholders.

In the Issuer's notice of early settlement, the Issuer must include the following:

(i) the cut-off date and time for each Securityholders to elect to receive the fair market value on the date fixed for early settlement;

(ii) the date of determination for the fair market value in respect of such election and the amount determined by the Calculation Agent as the fair market value of the Securities on such date; and

(iii) the amount calculated by the Calculation Agent as the Monetisation Amount.

If the Security held through Euroclear or Clearstream, Luxembourg, Monte Titoli, and/or any other relevant Clearing System, to make a valid election to receive the Market Value on early settlement of the Security the Securityholder of the Security must no later than the cut-off date and time set out in the Issuer's notice of early settlement give notice to the Issuer and the Paying Agent in accordance with the standard procedures Euroclear and Clearstream, Luxembourg, Monte Titoli and/or any other relevant Clearing System (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg, Monte Titoli and/or any other relevant Clearing System or any common depositary for them to the Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg, Monte Titoli and/or any other relevant Clearing System from time to time. Notice given by a Securityholder pursuant to this Security Condition 20 shall be irrevocable.

If the Securityholder does not make a valid election to receive the fair market value on the date fixed for early settlement before the cut-off date and time set out in the Issuer's notice of early settlement, the Securityholder will receive the Monetisation Amount in respect of such Security on the Settlement Date.

For the purposes of this Security Condition 20(c):

"**Monetisation Amount**" means, in respect of a Security, an amount equal to the greater of the Protected Amount specified in the applicable Final Terms and the amount calculated by the Calculation Agent as follows:

$(S + D) \times (1 + r)^n$

where:

"**S**" is the present value of the Protected Amount of such Security on the date on which the event triggering early settlement occurs;

"**D**" is the market value of the Derivative Component on the date on which the event triggering early settlement occurs;

"**r**" is a hypothetical annual interest rate that would be applied on an equivalent hypothetical debt instrument issued by the Issuer (or the Guarantor, as applicable) with the same time to redemption as the remaining time to settlement on the Security from the date fixed for early settlement until the scheduled settlement date of the Securities;

"**n**" is the time remaining until the scheduled settlement date of the Securities, expressed as a number of years; and

"**Derivative Component**" means the option component or embedded derivative in respect of the Security or the remuneration amount due under the Security in order to enable the Issuer to issue the Security at the issue price and on their applicable terms. The value of the Derivative Component will be determined by the Calculation Agent, taking into account a number of factors, including, but not limited to:

(a) market prices or values for the underlying reference asset(s) or basis (bases) and other relevanteconomic variables (such as interest rates; dividend rates; financing costs; the value, price or level of any relevant underlying reference asset(s) or basis (bases) and any futures or options relating to any of them; the volatility of any relevant underlying reference asset(s) or basis (bases); and exchange rates (if applicable);

(b) the time remaining until the scheduled settlement date of the Securities;

(c) internal pricing models; and

(d) prices at which other market participants might bid for the Derivative Component

21. PHYSICAL DELIVERY CONFIRMATION NOTICES AND SETTLEMENT

21.1. *Physical Delivery Confirmation Notice Requirement*

In the case of Physical Delivery Certificates, in order to obtain delivery of the Entitlement the relevant Securityholder (acting through the relevant Monte Titoli Accountholder, in case of Italian Dematerialised Securities) must deliver or send by authenticated swift message (confirmed in writing) to the relevant Clearing System(s) with a copy to the Fiscal Agent or the Italian Paying Agent (in case of Italian Dematerialised Securities) and the relevant Issuer not later than 10.00 a.m. Brussels or Luxembourg time (as appropriate) on the Exercise Date a duly completed physical delivery confirmation notice (a "**Physical Delivery Confirmation**

Notice") in the form set out in the Issue and Paying Agency Agreement (copies of which form may be obtained from the relevant Clearing System(s) or the Paying Agents) in accordance with the provisions set out in this Security Condition. If the relevant Certificate is in definitive form, such Certificate must be delivered, together with the Physical Delivery Confirmation Notice, to the relevant Issuer and with a copy to the Fiscal Agent.

(a) The Physical Delivery Confirmation Notice shall:

(i) specify the series of the Certificates and the number of Certificates the subject of such Physical Delivery Confirmation Notice;

(ii) except in the case of Definitive Certificates, specify the number of the Securityholder's account (or of the relevant Monte Titoli Accountholder's account, in case of Italian Dematerialised Securities) at the relevant Clearing System(s) to be debited with the Certificates the subject of such Physical Delivery Confirmation Notice;

(iii) except in the case of Definitive Certificates, irrevocably instruct the relevant Clearing System(s) to debit on or before the Settlement Date the Securityholder's account (or of the relevant Monte Titoli Accountholder's account, in case of Italian Dematerialised Securities) with the Certificates the subject of such Physical Delivery Confirmation Notice;

(iv) include an undertaking to pay all Expenses and, except in the case of Definitive Certificates, an authority to the relevant Clearing System(s) to debit a specified account of the Securityholder (or the account of the relevant Monte Titoli Accountholder, in case of Italian Dematerialised Securities) at the relevant Clearing System(s) in respect thereof;

(v) include such details as are required by the applicable Final Terms for delivery of the Entitlement which may include account details and/or the name and address of any person(s) into whose name evidence of the Entitlement is to be registered and/or any bank, broker or agent to whom documents evidencing the Entitlement are to be delivered and specify the name and the number of the Securityholder's account (or the account of the relevant Monte Titoli Accountholder, in case of Italian Dematerialised Securities) with the relevant Clearing System(s) or, in the case of a Definitive Certificate, at a bank in the principal financial centre of the relevant Settlement Currency to be credited with any cash payable by the relevant Issuer either, in respect of any amounts payable pursuant to Credit Security Condition 4 (*First-to-Default Credit Securities and Nth-to-Default Credit Securities)*, either in respect of any other cash amount constituting the Entitlement or any cash adjustment amount paid in lieu of fractions of the Relevant Asset 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 relevant Issuer electing to pay the Settlement Disruption Amount or Failure to Deliver Cash Settlement Settlement Price, as the case may be; as applicable, or as a result of the Issuer electing to pay the Alternate Cash Amount

(vi) in the case of Currency Certificates only, specify the number of the Securityholder's account (or of the account of the relevant Monte Titoli Accountholder, in case of Italian Dematerialised Securities) at the relevant Clearing System(s) or, in the case of a Definitive Certificate, at a bank in

the principal financial centre of the relevant Settlement Currency to be credited with the amount due upon exercise of the Certificates;

(vii) certify, *inter alia*, that the beneficial owner of each Certificate the subject of such Physical Delivery Confirmation Notice is not a U.S. person (as defined in the Physical Delivery Confirmation Notice), the Certificate was not held 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 such exercise and, where appropriate, undertake to provide such various forms of certification in respect of selling restrictions under the securities, commodities and other laws of the United States as may be required; and

(viii) authorise the production of the Physical Delivery Confirmation Notice in any applicable administrative or legal proceedings, all as provided in the Issue and Paying Agency Agreement.

(b) If Security Condition 4.3 (*Issuer's Option to Vary Settlement*) applies, the form of Physical Delivery Confirmation Notice required to be delivered may be different from that set out above. Copies of such Physical Delivery Confirmation Notice may be obtained from the relevant Clearing System(s) and the Paying Agents.

21.2. *Verification of the Securityholder*

Except in the case of a Physical Delivery Confirmation Notice submitted in respect of a Definitive Certificate, upon receipt of a Physical Delivery Confirmation Notice, the relevant Clearing System(s) shall verify that the person exercising the Certificates (including the relevant Monte Titoli Accountholder, in case of Italian Dematerialised Securities) is the holder thereof according to the books of the relevant Clearing System(s). Subject thereto, the relevant Clearing System(s) will confirm to the Fiscal Agent or the Italian Paying Agent (in case of Italian Dematerialised Securities) the series and the number of Certificates being exercised and the details for the delivery of the Entitlement in respect of each Certificate the subject of the relevant Physical Delivery Confirmation Notice. Upon receipt of such confirmation, the Fiscal Agent or the Italian Paying Agent (in case of Italian Dematerialised Securities) will inform the relevant Issuer thereof. The relevant Clearing System(s) will on or before Delivery Date or (in the case of Credit Securities) the Delivery Date (as defined in the Credit Security Conditions) debit the account of the relevant Securityholder (or the account of the relevant Monte Titoli Accountholder, in case of Italian Dematerialised Securities) with the Certificates the subject of the relevant Physical Delivery Confirmation Notice.

21.3. *Cash Settled Certificates*

Subject as provided in this Security Condition 21 (*Physical Delivery Confirmation Notices and Settlement*), the relevant Issuer shall pay or cause to be paid the Cash Settlement Amount (if any) or the relevant amount (if any) payable under the Credit Security Conditions (or in the case of Instalment Certificates, each Instalment Amount) for each Certificate by credit or transfer to the Securityholder's account with the relevant Clearing System(s), or in case of Italian Dematerialised Securities, according to the instructions of Monte Titoli, to the accounts of the relevant Monte Titoli Accountholder, for value on the Settlement Date (or (a) in the case of Instalment Certificates, on the relevant Instalment Date), less any Expenses not already paid, such payment to be made in

accordance with the rules of the relevant Clearing System(s).

In the case of OET Certificates, the Issuer shall confirm to Euroclear and Clearstream, Luxembourg (in the case of OET Certificates held through Euroclear or Clearstream, Luxembourg), the Cash Settlement Amount to be paid in respect of each OET Certificate.

Where the Certificates pay Remuneration Amount(s), the Issuer, failing which, the Guarantor, if any, shall pay or cause to be paid the Remuneration Amount(s) for each Certificate in respect of each Remuneration Payment Date by credit or transfer to the Securityholder's account with the relevant Clearing System(s), or in case of Italian Dematerialised Securities, according to the instructions of Monte Titoli, to the accounts of the relevant Monte Titoli Accountholder, for value on the relevant Remuneration Payment Date, such payment to be made in accordance with the rules of such Clearing System.

The Issuer's obligations will be discharged by payment to, or to the order of, the relevant Clearing System(s) of the amount so paid or in case of Italian Dematerialised Securities, by payment to the relevant Monte Titoli Accountholders indicated by Monte Titoli of the amount so paid. With reference to all Securities, excluding the Italian Dematerialised Securities, each of the persons shown in the records of the relevant Clearing System(s) as the holder of a particular amount of the Certificates must look solely to the relevant Clearing System(s) for his share of each such payment.

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

21.4. *Physical Delivery Certificates*

Subject to payment of any Expenses with regard to the relevant Certificates, the relevant Issuer shall, on the Settlement Date (such date, subject to adjustment in accordance with Condition 21.5, the "**Delivery Date**") or (in the case of Credit Securities) the Delivery Date (as defined in the Credit Security Conditions), deliver, or procure the delivery of, the Entitlement for each Certificate in respect of which a valid Physical Delivery Confirmation Notice has been delivered as provided in Security Condition 21.1 (*Physical Delivery Confirmation Notice Requirements)* pursuant to the details specified in the Physical Delivery Confirmation Notice, subject as provided in Security Condition 4.3 (*Issuer's Option to Vary Settlement*). The Entitlement shall be delivered and evidenced in such manner as set out in the applicable Final Terms.

In the event that no valid Physical Delivery Confirmation Notice has been duly delivered at or prior to 10.00 a.m. (Brussels or Luxembourg time, as the case may be) on the Exercise Date, the provisions of Security Condition 21.7 (*Failure to deliver a Physical Delivery Confirmation Notice*) below shall apply.

21.5. *Determinations and Delivery*

Any determination as to whether a Physical Delivery Confirmation Notice is duly completed and in proper form shall be made by the Fiscal Agent, or the Italian Paying Agent (in case of Italian Dematerialised Securities) and shall be conclusive and binding on the relevant Issuer, the Guarantor (if any), the Paying Agents, the Calculation Agent and the relevant Securityholder. Subject as set out below, any Physical Delivery Confirmation Notice so

determined to be incomplete or not in proper form or which is not duly delivered to the relevant Clearing System(s) and copied to the relevant Issuer and the Fiscal Agent or the Italian Paying Agent (in case of Italian Dematerialised Securities) (or, in the case of Definitive Certificates, which is not duly delivered to the relevant Issuer together with the relevant Definitive Certificate(s) and copied to the Fiscal Agent) shall be null and void.

If such Physical Delivery Confirmation Notice is subsequently corrected to the satisfaction of the relevant Clearing System(s), in consultation with the relevant Issuer and the Fiscal Agent or the Italian Paying Agent (in case of Italian Dematerialised Securities) (or, in the case of Definitive Certificates, to the satisfaction of the relevant Issuer in consultation with the Fiscal Agent), it shall be deemed to be a new Physical Delivery Confirmation Notice submitted at the time such correction was delivered to the relevant Clearing System(s) and copied to the relevant Issuer and the Fiscal Agent or the Italian Paying Agent (in case of Italian Dematerialised Securities) (or, in the case of Definitive Certificates, to the relevant Issuer and copied to the Fiscal Agent).

The relevant Clearing System(s) (or, in the case of Definitive Certificates, the relevant Issuer) shall use its best efforts promptly to notify the Securityholder (or the relevant Monte Titoli Accountholder, in case of Italian Dematerialised Securities) submitting a Physical Delivery Confirmation Notice if, in consultation with the relevant Issuer and/or the Fiscal Agent or the Italian Paying Agent (in case of Italian Dematerialised Securities) (as applicable), it has determined that such Physical Delivery Confirmation Notice is incomplete or not in proper form. In the absence of negligence or wilful misconduct on its part, none of the relevant Issuer, the Guarantor (if any), the Paying Agents, the relevant Clearing System(s) and the Calculation Agent 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 Securityholder.

21.6. *Delivery of a Physical Delivery Confirmation Notice*

No Physical Delivery Confirmation Notice may be withdrawn after receipt thereof by the relevant Clearing System, or the Fiscal Agent or the Italian Paying Agent (in case of Italian Dematerialised Securities), as the case may be, as provided above. After the delivery of a Physical Delivery Confirmation Notice, the relevant Securityholder may not transfer Certificates the subject of such notice.

21.7. *Failure to deliver a Physical Delivery Confirmation Notice*

Provided that the relevant Certificates are not Definitive Certificates, in which case the provisions of Security Condition 21.8 (*Settlement provisions for Definitive Certificates*) will apply, the Issuer shall have no obligation to make delivery of the Entitlement in respect of such Security unless and until a duly completed Physical Delivery Confirmation Notice is delivered as provided above. If the duly completed Physical Delivery Confirmation Notice is delivered after 10.00 a.m. (Brussels or Luxembourg time, as the case may be) on the Exercise Date, delivery of such Entitlement shall be made as soon as possible thereafter but not earlier than the Settlement Date.

For the avoidance of doubt, the relevant holder of a Security shall not be entitled to any additional or further payment by reason of the delivery of the Entitlement in respect of such Security occurring after the Settlement Date as a result of such Physical Delivery Confirmation Notice being delivered after 10.00 a.m. (Brussels or

Luxembourg time, as the case may be) on the Exercise Date.

21.8. *Settlement provisions for Definitive Certificates*

In the event that any Definitive Certificates have been issued prior to the Exercise Date, the relevant Issuer shall, on or prior to the Exercise Date, notify Securityholders in accordance with Security Condition 8 (*Notices*) of the procedure to be followed in order to receive any Cash Settlement Amount that may be payable upon exercise of the Certificates.

21.9. *Exercise Risk*

Exercise of the Certificates is subject to all applicable laws, regulations and practices in force on the Exercise Date and none of the relevant Issuer, the Guarantor (if any), or any of their Affiliates, the Paying Agents and the Calculation Agent 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 relevant Issuer, the Guarantor (if any), any of their Affiliates, the Paying Agents and the Calculation Agent shall under any circumstances be liable for any acts or defaults of the relevant Clearing System(s) in relation to the performance of their duties in relation to the Certificates.

22. REMUNERATION

If so specified in the applicable Final Terms the Certificates will pay one or more remuneration amounts. Such remuneration amounts (i) will be calculated on the basis of a fixed rate, or will be a Fixed Remuneration Amount or Broken Amount, if so specified in the Final Terms for that Remuneration Period ("**Fixed Remuneration Amount Certificates**") and/or (ii) will be calculated on the basis of a floating rate ("**Floating Remuneration Amount Certificates**") and/or (iii) will be calculated by reference to the performance of one or more Index, Share, ETI Interest, Debt Instrument, Currency, Commodity, Inflation Index, Fund Share, Future, Underlying Interest Rate or any other underlying security or any combination thereof in the manner specified in the applicable Final Terms (such Certificates, "**Linked Remuneration Amount Certificates**"):

(a) *Fixed Remuneration Amount Certificates*

Each Fixed Remuneration Amount Certificate will pay Remuneration Amount(s) on the basis of the following:

(i) if the Fixed Remuneration Amount or Broken Amount are specified in the Final Terms for a Remuneration Period, the Remuneration Amount payable on the relevant Remuneration Payment Date shall be the Fixed Remuneration Amount or Broken Amount so specified; or

(ii) if the Fixed Remuneration Amount or Broken Amount are not specified in the Final Terms, for a Remuneration Period, the Remuneration Amount(s) (as defined below) will be paid in respect of each relevant Remuneration Period. Remuneration Amount will be payable in arrear on the Remuneration Payment Date(s) indicated in the applicable Final Terms. If a Business Day Convention is specified in the applicable Final Terms as applying to a Remuneration Payment

Date and any Remuneration Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

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

(B) the Modified Following Business Day Convention, such Remuneration Payment Date 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 Remuneration Payment Date shall be brought forward to the immediately preceding Business Day;

(C) the Preceding Business Day Convention, such Remuneration Payment Date, shall be brought forward to the immediately preceding Business Day; or

(D) the Modified Preceding Business Day Convention, such Remuneration Payment Date shall be brought forward to the immediately preceding Business Day unless it would thereby fall into the previous calendar month, in which event such Remuneration Payment Date shall be brought forward to the immediately following Business Day.

(b) *Floating Remuneration Amount Certificates*

(i) Remuneration, Remuneration Periods and Business Day Convention

Each Floating Remuneration Amount Certificate will pay Remuneration Amount(s) in respect of each relevant Remuneration Period.

Remuneration Amount(s) will be payable in arrear on the Remuneration Payment Date(s) indicated in the applicable Final Terms.

If a Business Day Convention is specified in the applicable Final Terms as applying to a Remuneration Payment Date(s) and any Remuneration Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

(A) the Following Business Day Convention, such Remuneration Payment Date, shall be postponed to the next day which is a Business Day; or

(B) the Modified Following Business Day Convention, such Remuneration Payment Date 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 Remuneration Payment Date shall be brought forward to the immediately preceding Business Day;

(C) the Preceding Business Day Convention, such Remuneration Payment Date shall be brought forward to the immediately preceding Business Day; or

(D) the Modified Preceding Business Day Convention, such Remuneration Payment Date shall be brought forward to the immediately preceding Business Day unless it would thereby fall into the previous calendar month, in which event such Remuneration Payment Date shall be brought forward to the immediately following Business Day.

(ii) Linear Interpolation

Where Linear Interpolation is specified as applicable in respect of a Remuneration Period in the applicable Final Terms, the Remuneration Rate for such Remuneration Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms), or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Remuneration Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Remuneration Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

"**Designated Maturity**" means in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

(iii) Remuneration Rate

The Remuneration Rate payable from time to time will be determined in the manner specified in the applicable Final Terms.

(iv) Determination of Remuneration Rate

The Calculation Agent will, on or as soon as practicable after each date on which the Remuneration Rate is to be determined (the "**Remuneration Determination Date**"), determine the Remuneration Rate (subject to any Minimum Remuneration Rate or Maximum Remuneration Rate specified in the applicable Final Terms) for the relevant Remuneration Period. The Calculation Agent will notify the Paying Agent of the Remuneration Rate for the relevant Remuneration Period as soon as practicable after calculating the same.

(c) *Linked Remuneration Amount Certificates*

(i) Remuneration, Remuneration Periods and Business Day Convention

The Remuneration Amount(s) will be paid in respect of each relevant Remuneration Period.

Remuneration will be payable in arrear on the Remuneration Payment Date(s).

If a Business Day Convention is specified in the applicable Final Terms as applying to a Remuneration Payment Date and any Remuneration Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

(A) the Following Business Day Convention, such Remuneration Payment Date shall be postponed to the next day which is a Business Day; or

(B) the Modified Following Business Day Convention, such Remuneration Payment Date 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 Remuneration Payment Date shall be brought forward to the immediately preceding Business Day;

(C) the Preceding Business Day Convention, such Remuneration Payment Date shall be brought forward to the immediately preceding Business Day; or

(D) the Modified Preceding Business Day Convention, such Remuneration Payment Date shall be brought forward to the immediately preceding Business Day unless it would thereby fall into the previous calendar month, in which event such Remuneration Payment Date shall be brought forward to the immediately following Business Day.

(ii) Remuneration Rate

The Remuneration Rate payable from time to time will be determined in the manner specified in the applicable Final Terms and may comprise one or more Additional Coupons determined in the manner specified in the applicable Final Terms.

(iii) Determination of Remuneration Rate

The Calculation Agent will, on or as soon as practicable after each date on which the Remuneration Rate is to be determined (the "**Remuneration Determination Date**"), determine the Remuneration Rate (subject to any Minimum Remuneration Rate or Maximum Remuneration Rate specified in the applicable Final Terms) for the relevant Remuneration Period. The Calculation Agent will notify the Paying Agent of the Remuneration Rate for the relevant Remuneration Period as soon as practicable after calculating the same.

(d) *Screen Rate Determination, ISDA Determination, and CMS Rates Determination*

(i) ISDA Determination

Where ISDA Determination is specified in the applicable Final Terms as the manner in which a Remuneration Rate is to be determined, such Remuneration Rate for each Remuneration Period will be:

(A) if "Rate Multiplier" is specified in the relevant Final Terms as not being applicable, the sum of the Margin and the relevant ISDA Rate;

(B) if "Rate Multiplier" is specified in the relevant Final Terms as being applicable (i) the sum of the Margin and the relevant ISDA Rate multiplied by (ii) the Rate Multiplier;

(C) if "Reference Rate Multiplier" is specified in the relevant Final Terms as being applicable, the sum of (i) Margin, and (ii) the relevant ISDA Rate multiplied by the Reference Rate Multiplier,

where "**ISDA Rate**" in relation to any Remuneration Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) 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 interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Final Terms;

(ii) the Designated Maturity (as defined in the ISDA Definitions) is a period specified in the relevant Final Terms; and

(iii) the relevant Reset Date (as defined in the ISDA Definitions) is either (1) if the relevant Floating Rate Option is based on the London inter-bank offered rate (LIBOR) (or, in the event that LIBOR has been discontinued, such other successor benchmark rate as the financial industry shall have accepted as a successor or substitute rate for LIBOR for a currency, as applicable), the first day of that Remuneration Period or (2) in any other case, as specified in the relevant Final Terms.

(ii) Screen Rate Determination

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which a Remuneration Rate is to be determined, such Remuneration Rate, as the case may be, for each Remuneration Period will be determined by the Calculation Agent, subject to Condition 22 (m) (*Benchmark Rate Replacement*), on the following basis:

(A) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Rate Screen Page as of the Relevant Determination Time on the relevant Remuneration Determination Date;

(B) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Rate Screen Page as of the Relevant Determination Time on the relevant Remuneration Determination Date (together with the Reference Rate determined in accordance with sub-paragraph (A) above, (the "**Screen Page Reference Rates**" and each a "**Screen Page Reference Rate**");

(C) if, in the case of (A) above, such rate does not appear on that page or, in the case of (B) above, fewer than two such rates appear on that page or if, in either case, the Relevant Rate Screen Page is unavailable:

(i) the Issuer or a third party (i.e. a financial adviser or an investment bank appointed by the Issuer) will request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Determination Time on the Remuneration Determination Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time; and

(ii) the Calculation Agent will determine the arithmetic mean of such quotations; and

(iii) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Calculation Agent) quoted by major banks in the Principal Financial Centre of the Settlement Currency, selected by the Calculation Agent, at approximately 11.00 a.m. (local time in the Principal Financial Centre of the Settlement Currency) on the first day of the relevant Remuneration Period for loans in the Settlement Currency to leading European banks for a period equal to the relevant Remuneration Period and in an amount that is representative for a single transaction in that market at that time,

and the Remuneration Rate for such Remuneration Period shall be:

(a) if "Rate Multiplier" is specified in the relevant Final Terms as not being applicable, the sum of the Margin and the rate or (as the case may be) the arithmetic mean determined in accordance with the above provisions (the "**Screen Determined Rate**");

(b) if "Rate Multiplier is specified in the relevant Final Terms as being applicable (i) the sum of the Margin and the relevant Screen Determined Rate multiplied by (ii) the Rate

Multiplier;

(c) if "Reference Rate Multiplier" is specified in the relevant Final Terms as being applicable, the sum of (i) Margin, and (ii) the relevant Screen Determined Rate multiplied by the Reference Rate Multiplier,

provided, however, that if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Remuneration Period, the Remuneration Rate applicable to the Certificates during such Remuneration Period will be calculated in accordance with the foregoing, save that the Screen Determined Rate shall be the arithmetic mean last determined in relation to the Certificates in respect of a preceding Remuneration Period.

(iii) CMS Rates Determination

Where CMS Rates Determination is specified in the relevant Final Terms as the manner in which a Remuneration Rate is to be determined, such Remuneration Rate, as the case may be, for each Remuneration Period will be determined by the Calculation Agent, subject to Condition 22 (m) (*Benchmark Rate Replacement*), on the following basis:

(A) the Calculation Agent will determine the Reference Rate(s) which appears or appear, as the case may be, on the Relevant Screen Page as at the Relevant Determination Time indicated in the applicable Final Terms on the Remuneration Determination Date (the "**Screen Page Reference Rate**");

(B) If no Reference Rate appears on the Relevant Screen Page at the Relevant Determination Time indicated in the applicable Final Terms on the Remuneration Determination Date, subject as provided below, the Reference Rate shall be a percentage determined on the basis of the mid-market annual swap rate quotations provided by each of the Reference Banks quoting to major banks in the Relevant Financial Centre at the Relevant Determination Time on the Remuneration Determination Date, as determined by the Calculation Agent. For this purpose, the mid-market annual swap rate means the arithmetic mean of the bid and offered rates for the annual fixed leg, calculated in accordance with the applicable Day Count Fraction, of a fixed-for-floating interest rate swap transaction denominated in the Settlement Currency with a term equal to the Specified Duration commencing on the Remuneration Determination Date and in an amount that is representative of a single transaction in that market at the relevant time with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated in accordance with the applicable Day Count Fraction, is equivalent to the Specified Duration. The Calculation Agent will request the principal office of each of the Reference Banks to provide a quotation of its

rate. If at least three quotations are provided, the rate for that Remuneration Determination Date will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest);

and the Remuneration Rate for such Remuneration Period shall be:

(a) if "Rate Multiplier" is specified in the relevant Final Terms as not being applicable, the sum of the Margin and the rate or (as the case may be) the arithmetic mean determined in accordance with the above provisions (the "**CMS Determined Rate**");

(b) if "Rate Multiplier" is specified in the relevant Final Terms as being applicable (i) the sum of the Margin and the relevant CMS Determined Rate multiplied by (ii) the Rate Multiplier;

(c) if "Reference Rate Multiplier" is specified in the relevant Final Terms as being applicable, the sum of (i) Margin, and (ii) the relevant CMS Determined Rate multiplied by the Reference Rate Multiplier,

provided, however, that if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Remuneration Period, the Remuneration Rate applicable to the Certificates during such Remuneration Period will be calculated in accordance with the foregoing, save that the CMS Determined Rate shall be the arithmetic mean last determined in relation to the Certificates in respect of a preceding Remuneration Period.

(e) *Minimum and/or Maximum Remuneration Rate*

If the applicable Final Terms specifies a Minimum Remuneration Rate for any Remuneration Period, then, in the event that the Remuneration Rate in respect of such Remuneration Period determined in accordance with the provisions of Security Condition 22(b)(ii), Security Condition 22(b)(iii), Security Condition 22(c)(ii) or Security Condition 22(d) (as appropriate) is less than such Minimum Remuneration Rate, the Remuneration Rate for such Interest Period shall be such Minimum Remuneration Rate.

If the applicable Final Terms specifies a Maximum Remuneration Rate for any Remuneration Period, then, in the event that the Remuneration Rate in respect of such Remuneration Period determined in accordance with the provisions of Security Condition 22(b)(ii), Security Condition 22(b)(iii), Security Condition 22(c)(ii) or Security Condition 22(d) (as appropriate) is greater than such Maximum Remuneration Rate, the Remuneration Rate for such Remuneration Period shall be such Maximum Remuneration Rate.

(f) *Notification of Remuneration Rate and Remuneration Amount*

After the Relevant Determination Time on each Remuneration Determination Date or such other time on such date as the Calculation Agent may be required to calculate any Remuneration, obtain any quote or

make any determination or calculation, it will, promptly, determine the Remuneration Rate and calculate the Remuneration Amount for the relevant Remuneration Period, obtain such quote or make such determination or calculation, as the case may be, and cause the Remuneration Rate and the Remuneration Amount for each Remuneration Period and the relevant Remuneration Payment Date to be notified to the Fiscal Agent, the relevant Issuer, the Paying Agent, the holders of the Certificates, any other Calculation Agent appointed in respect of the Certificates which is to make a further calculation upon receipt of such information and, if the Certificates are listed on a stock exchange and the rules of such exchange so requires, such exchange promptly after their determination but in no event later than (i) the commencement of the relevant Remuneration Period, if determined prior to such time, in the case of a Remuneration Rate and Remuneration Amount, or (ii) in all other cases, the fourth Business Day after such determination. The Remuneration Amounts and the Remuneration Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Remuneration Period. The determination of each Remuneration Rate, Remuneration Amount, the obtaining of each quote and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

(g) *Calculation Agent*

Where more than one Calculation Agent is appointed in respect of the Certificates, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Remuneration Rate for any Remuneration Period or to calculate the Remuneration Amount or any other requirements, the relevant Issuer will appoint the London office of a leading bank engaged in the London interbank market to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

(h) *Remuneration in case of early settlement*

(i) The Remuneration Amount on each Certificate will be paid on any Remuneration Payment Date indicated in the applicable Final Terms unless such Certificate is early settled or a Remuneration Barrier Event, indicated as applicable in the relevant Final Terms, has occurred;

(ii) In case a Certificate is early settled during a Remuneration Period (and no Remuneration Barrier Event has previously occurred), (i) if the applicable Final Terms specify that Remuneration to Settlement is applicable, the relevant Remuneration Amount relating to such Remuneration Period will be determined by the Calculation Agent for each such Certificate as if the Remuneration Period ended on, and included, the due date of early settlement, as specified in the relevant Final Terms, or (ii) if the applicable Final Terms specify that Remuneration to Settlement is not applicable, no Remuneration Amount will be payable in respect of such Remuneration Period;

(iii) In case a Remuneration Barrier Event has occurred prior to an early exercise or cancellation, the Security Condition 22(k) below will apply;

Unless, (and subject to a Remuneration Barrier Event, if applicable, not having occurred) payment of the amount and/or delivery of any Entitlement due is improperly withheld or refused or unless default is otherwise made in respect of the payment or delivery in which case additional remuneration shall be considered as if accrued from the date such amount or delivery of such Entitlement was due until such amount or delivery of such Entitlement is paid or delivered, as the case may be. For the avoidance of doubt, no remuneration on the Certificates shall accrue beyond the Settlement Date in the event that delivery of any Entitlement is postponed due to the occurrence of a Settlement Disruption Event.

(i) *Rounding*

For the purposes of any calculations required pursuant to this Security Condition 22 (unless otherwise specified), (i) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (ii) all figures will be rounded to seven significant figures (with halves being rounded up) and (iii) all currency amounts which fall due and payable will be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of Yen, which shall be rounded down to the nearest Yen. For these purposes "**unit**" means, with respect to any currency other than Euro, the lowest amount of such currency which is available as legal tender in the country of such currency and, with respect to Euro, means one cent.

(j) *Remuneration Barrier Events*

(i) In the event that the relevant Final Terms specify that the Remuneration Barrier Event is applicable and a Remuneration Barrier Event has occurred, then:

(a) if "No Further Remuneration" is specified in the applicable Final Terms as applicable, notwithstanding any other provisions to the contrary in this Security Condition 22, on the immediately following Remuneration Payment Date, the Remuneration Amount payable will be the amount calculated in accordance with the definition of Remuneration Amount below, provided that for the purposes of the definition of "Day Count Fraction", the Remuneration Period will be deemed to have ended on, and included, the date on which the Remuneration Barrier Event occurred; or

(b) if "No Further Remuneration" is specified in the applicable Final Terms as not applicable, on the immediately following Remuneration Payment Date, the Remuneration Amount payable will be the amount calculated in accordance with the definition of Remuneration Amount below.

In each case, thereafter, there will be no further Remuneration Payment Dates and no further Remuneration Amounts payable with respect to the Certificates.

(ii) In the event that the relevant Final Terms specify that the Remuneration Barrier Event is applicable and "No Remuneration for Remuneration Period" is applicable and a Remuneration Barrier Event occurs, no Remuneration Amount will be payable on the next following Remuneration Payment Date.

(k) *Remuneration Payment Condition*

In the event that the relevant Final Terms specify that the Remuneration Payment Condition is applicable, then the Remuneration Amount shall only be payable on the relevant Remuneration Payment Dates upon the occurrence of the Remuneration Payment Condition.

(l) *Coupon Switch*

If Coupon Switch is specified as applicable in the applicable Final Terms:

(i) if Coupon Switch Election is specified as applicable in the applicable Final Terms, the Issuer may elect that the Remuneration Rate, in respect of the Certificates will be amended (a "**Coupon Switch**") from the Pre-Switch Coupon specified in the applicable Final Terms to the Post-Switch Coupon specified in the applicable Final Terms on and after the Coupon Switch Date; or

(ii) if Automatic Coupon Switch is specified as applicable in the applicable Final Terms and an Automatic Coupon Switch Event occurs, the Remuneration Rate, in respect of the Certificates will be amended (a "**Coupon Switch**") from the Pre-Switch Coupon specified in the applicable Final Terms to the Post-Switch Coupon specified in the applicable Final Terms on and after the Coupon Switch Date immediately following the MFP ACS Valuation Date or MFP ACS Valuation Period, as applicable, on which the Automatic Coupon Switch Event occurs.

If Additional Switch Coupon is specified as applicable in the applicable Final Terms, following the occurrence of a Coupon Switch, an Additional Switch Coupon Amount will be payable on the Additional Switch Coupon Payment Date. The "**Additional Switch Coupon Amount**" in respect of each Certificate will be the amount specified as such in the applicable Final Terms. For the avoidance of doubt, the Additional Switch Coupon Amount will only be paid on the single Additional Switch Coupon Payment Date.

Notice of any Coupon Switch will be given to Securityholders in accordance with Security Condition 8 (*Notices*).

"**Additional Switch Coupon Payment Date**" means the date specified as such in the applicable Final Terms, which such date must be a Remuneration Payment Date;

"**Automatic Coupon Switch Event**" means that the MFP ACS Value is (a) "greater than", (b) "equal to or greater than", (c) "less than" (d) "less than or equal to", or (e) "within" the Automatic Coupon Switch Range Level, in each case as specified in the applicable Final Terms; or (f) "outside" the Automatic Coupon Switch Range Level, in each case as specified in the applicable Final Terms, as specified in the applicable Final Terms, the Automatic Coupon Switch Level, (x) on a MFP ACS Valuation Date or (y) in respect of a MFP ACS Valuation Period, as specified in the applicable Final Terms;

"**Automatic Coupon Switch Level**" means the number, amount, level or percentage specified as such in the applicable Final Terms;

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

"**Coupon Switch Date**" means each date specified as such or determined pursuant to the provisions in the applicable Final Terms;

"**MFP ACS Value**" means the value from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (*Greatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms;

"MFP ACS Valuation Date" means each Averaging Date, Pricing Date and/or Settlement Price Date specified as such in the applicable Final Terms; and

"MFP ACS Valuation Period" means each period specific as such in the applicable Final Terms.

(m) *Benchmark Rate Replacement*

Notwithstanding the provisions in Security Condition 22(d) (*Screen Rate Determination, ISDA Determination, and CMS Rates Determination*), if the Calculation Agent determines at any time prior to any Remuneration Determination Date, that the Screen Page Reference Rate has been discontinued, then the provisions set out below will apply provided that if such discontinuation is an Administrator/Benchmark Event which has been specified as an Optional Disruption Event the Issuer may make such adjustment or redeem the Securities pursuant to the provision set out in Security Condition 13 and in such case the provision set out below will not apply. The Calculation Agent will use, as a substitute for the Screen Page Reference Rate, the alternative reference rate selected by the central bank, reserve bank, monetary authority or any similar institution (including any committee or working group thereof) in the jurisdiction of the Settlement Currency that is consistent with industry accepted standards, provided that if the Calculation Agent notifies the Issuer that it is unable to determine such an alternative reference rate, the Calculation Agent will as soon as reasonably practicable (and in any event before the Business Day prior to the applicable Remuneration Determination Date) appoint an agent (the "**Reference Rate Determination Agent**"), which will determine whether a substitute or successor rate, which is substantially comparable to the Screen Page Reference Rate, is available for the purpose of determining the Reference Rate on each Remuneration Determination Date falling on or after the date of such determination. If the Reference Rate Determination Agent determines that there is an industry accepted successor rate, the Reference Rate Determination Agent will notify the Issuer of such successor rate to be used by the Calculation Agent to determine the Remuneration Rate.

If the Reference Rate Determination Agent or the Calculation Agent, as applicable, has determined a substitute or successor rate in accordance with the foregoing paragraph (such rate, the "**Replacement**

Reference Rate"), for the purpose of determining the Reference Rate on each Remuneration Determination Date falling on or after such determination:

(i) the Reference Rate Determination Agent or the Calculation Agent, as applicable, will also determine the changes (if any) required to the applicable Business Day Convention, the definition of Business Day, the Remuneration Determination Date, the Day Count Fraction, and any method for obtaining the Replacement Reference Rate, including any adjustment needed to make such Replacement Reference Rate comparable to the Screen Page Reference Rate, in each case acting in good faith and in a commercially reasonable manner that is consistent with industry-accepted practices for such Replacement Reference Rate;

(ii) references to the Reference Rate in these Conditions will be deemed to be references to the relevant Replacement Reference Rate, including any alternative method for determining such rate as described in (i) above;

(iii) the Reference Rate Determination Agent or the Calculation Agent, as applicable, will notify the Issuer of the Replacement Reference Rate, and the details described in (i) above, as soon as reasonably practicable; and

(iv) the Issuer will give notice to the Holders in accordance with Security Condition 8 (*Notices*) and the Calculation Agent of the Replacement Reference Rate, and the details described in (i) above as soon as reasonably practicable but in any event no later than 5:00 p.m. (London time) on the Business Day prior to the applicable Remuneration Determination Date.

The determination of the Replacement Reference Rate and the other matters referred to above by the Reference Rate Determination Agent or the Calculation Agent, as applicable, will (in the absence of manifest error) be final and binding on the Issuer, the Calculation Agent, the Paying Agent and the Holders of the Securities, unless the Issuer, the Calculation Agent or the Reference Rate Determination Agent determines at a later date that the Replacement Reference Rate is no longer substantially comparable to the Reference Rate or does not constitute an industry accepted successor rate, in which case the Calculation Agent shall appoint or reappoint a Reference Rate Determination Agent, as the case may be (which may or may not be the same entity as the original Reference Rate Determination Agent or the Calculation Agent) for the purpose of confirming the Replacement Reference Rate or determining a substitute Replacement Reference Rate in an identical manner as described in this Security Condition 22. If the replacement Reference Rate Determination Agent or the Calculation Agent, as applicable, is unable to or otherwise does not determine a substitute Replacement Reference Rate, then the Replacement Reference Rate will remain unchanged.

The Reference Rate Determination Agent may be (x) a leading bank, broker-dealer or benchmark agent in the principal financial centre of the Settlement Currency as appointed by the Calculation Agent, (y) the Issuer or the Guarantor (if applicable) or (z) an affiliate of the Issuer, the Guarantor (if applicable) or the Calculation Agent.

If the Reference Rate Determination Agent or the Calculation Agent, as applicable, is unable to or otherwise does not determine a Replacement Reference Rate, then the Replacement Reference Rate, shall be equal to the last Reference Rate available on the Relevant Screen Page, plus or minus (as appropriate) the Margin (if any), as determined by the Calculation Agent.

(n) *Definitions*

"**Banking Day(s)**" means a day which is both 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 London, Milan, Paris, New York and Luxembourg and a TARGET Settlement Day.

"**Broken Amount**" means the amount specified as such in the relevant Final Terms.

"**CMS**" means the constant maturity swap rate specified as such in the Final Terms.

"**Day Count Fraction**" means, in respect of the calculation of an amount for any period of time (the "**Calculation Period**"), such day count fraction as may be specified in these Conditions or the relevant Final Terms and:

(a) if "**1/1**" is specified, 1;

(b) if "**Actual/Actual**" or "**Actual/Actual (ISDA)**" is specified, the actual number of days in the Calculation Period in respect of which payment is being made divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (i) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(c) if "**Actual/Actual (ICMA)**" is so specified, means:

(i) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and

(ii) where the Calculation Period is longer than one Regular Period, the sum of

A. the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and

B. the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number

of days in such Regular Period and (2) the number of Regular Periods in any year;

(d) if "**Actual/365 (Fixed)"** is specified, the actual number of days in the Calculation Period in respect of which payment is being made divided by 365;

(e) if "**Actual/360**" is specified, the actual number of days in the Calculation Period in respect of which payment is being made divided by 360;

(f) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified, the number of days in the Calculation Period in respect of which payment is being made 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 Calculation Period falls;

"**Y2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M2**" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"**D1**" is the first calendar day, expressed as a number, of the Calculation 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 Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30; and

(g) if "**30E/360**" or "**Eurobond Basis**" is specified, the number of days in the Calculation Period in respect of which payment is being made 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 Calculation Period falls;

"**Y2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D1**" is the first calendar day, expressed as a number, of the Calculation 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 Calculation Period, unless such number would be 31, in which case D2 will be 30; and

(h) if "**30E/360 (ISDA)**" is specified, the number of days in the Calculation Period in respect of which payment is being made 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 Calculation Period falls;

"**Y2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D1**" is the first calendar day, expressed as a number, of the Calculation 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 Calculation Period, unless (i) that day is the last day of February but not the Termination Date or (ii) such number would be 31, in which case D2 will be 30.

"**EURIBOR**" means the Euro-zone interbank offered rate specified as such in the Final Terms.

"**Fixed Remuneration Amount**" means the amount specified as such in the relevant Final Terms.

"**ISDA Definitions**" means the 2006 ISDA Definitions as amended and updated as at the date of issue of the first Tranche of the Securities of the relevant Series (as specified in the Final Terms) as published by the International Swaps and Derivatives Association, Inc., a copy of which is available on the website of the International Swaps and Derivatives Association, Inc. (www.isda.org).

"**LIBID**" means the London interbank bid rate specified as such in the Final Terms.

"**LIBOR**" means the London interbank offered rate specified as such in the Final Terms.

"**LIMEAN**" means the London interbank mid-market rate specified as such in the Final Terms

"**Margin**" is as defined in the relevant Final Terms.

"**Principal Financial Centre**" means, in relation to any currency, the principal financial centre for that currency provided, however, that:

(a) in relation to euro, it means the principal financial centre of such member state of the European Communities as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent; and

(b) in relation to Australian dollars, it means either Sydney or Melbourne and, in relation to New Zealand dollars, it means either Wellington or Auckland, in each case as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent.

"**Rate Multiplier**" is as defined in the relevant Final Terms.

"**Reference Banks**" means, the institutions specified as such in the relevant Final Terms or, if none, four (or, if the Relevant Financial Centre is Helsinki, five) major banks selected by Issuer.

"**Reference Price**" is as defined in the relevant Final Terms.

"**Reference Rate**" is as defined in the relevant Final Terms.

"**Reference Rate Multiplier**" is as defined in the relevant Final Terms.

"**Regular Period**" means:

(a) in the case of Certificates where Remuneration is scheduled to be paid only by means of regular payments, each period from and including the Remuneration Commencement Date to but excluding the first Remuneration Payment Date and each successive period from and including one Remuneration Payment Date to but excluding the next Remuneration Payment Date;

(b) in the case of Certificates where, apart from the first Remuneration Period, Remuneration is scheduled to be paid only by means of regular payments, each period from and including a

Regular Date falling in any year to but excluding the next Regular Date, where "Regular Date" means the day and month (but not the year) on which any Remuneration Payment Date falls; and

(c) in the case of Remuneration where, apart from one Remuneration Period other than the first Remuneration Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "Regular Date" means the day and month (but not the year) on which any Remuneration Payment Date falls other than the Remuneration Payment Date falling at the end of the irregular Remuneration Period.

"**Relevant Adjustment Provisions**" means:

(a) in the case of Index Securities, Index Security Condition 2 (*Market Disruption*) and Index Security Condition 3 (*Adjustments to an Index*);

(b) in the case of Share Securities, Share Security Condition 2 (*Market Disruption*), Share Security Condition 3 (*Potential Adjustment Events*) and Share Security Condition 5 (*Extraordinary Events*);

(c) in the case of ETI Securities, ETI Security Condition 2 (*Market Disruption*) and ETI Security Condition 3 (*Potential Adjustment Events*);

(d) in the case of Commodity Securities, Commodity Security Condition 2 (*Market Disruption*) Commodity Security Condition 3 (*Consequences of a Market Disruption Event and a Disruption Fallbacks*) and Commodity Security Condition 4 (*Adjustments to a Commodity Index*);

(e) in the case of Currency Securities, Currency Security Condition 2 (*Disruption Events*), Currency Security Condition 3 (*Consequences of a Disruption Event*);

(f) in the case of Fund Securities, Fund Security Condition 4 (*Consequences of an Extraordinary Fund Event*);

(g) in the case of Futures Securities, Futures Security Condition 3 (*Adjustments to a Future*); and

(h) in the case of Debt Securities, Debt Security Condition 3 (*Market Disruption*), Debt Security Condition 4 (*Correction of Debt Instrument Price*) and Debt Security Condition 5 (*Redemption or Cancellation of a Debt Intrument*);

"**Relevant Determination Time**" means, with respect to any Remuneration Determination Date, the local time in the Relevant Financial Centre specified in the relevant Final Terms or, if none is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the relevant currency in the interbank market in the

Relevant Financial Centre provided that if the relevant currency is Euro and the Benchmark is EURIBOR, the Relevant Determination Time shall be 11.00 am Brussels time.

"**Relevant Financial Centre**" means, with respect to any floating rate to be determined on a Remuneration Determination Date, the financial centre as may be specified as such in the relevant Final Terms or, if none is so specified, the financial centre with which the relevant Reference Rate is most closely connected or, if none is so connected, London.

"**Relevant Rate Screen Page**" means such page, section, caption, column or other part of a particular information service (including, but not limited to, Reuters) as may be specified as the Relevant Rate Screen Page in the relevant Final Terms for the purpose of providing a Reference Rate, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Reference Rate.

"**Remuneration Amount**" means, in respect of each Certificate and a Remuneration Period, one of the following amounts:

(a) if the Certificates are indicated as Fixed Remuneration Amount Certificates in the relevant Final Terms and the Fixed Remuneration Amount or Broken Amount is specified in the Final Terms for that Remuneration Period, the Remuneration Amount payable on the relevant Remuneration Payment Date shall be the Fixed Remuneration Amount or Broken Amount so specified;

(b) if the Certificates are indicated as Fixed Remuneration Amount Certificates in the relevant Final Terms and the Fixed Remuneration Amount or Broken Amount is not specified in the Final Terms, the Remuneration Amount payable on the relevant Remuneration Payment Date shall be an amount calculated by the Calculation Agent by applying the Remuneration Rate to the Notional Amount of each Certificate and, if a Day Count Fraction is specified in the applicable Final Terms, multiplying such sum by the applicable Day Count Fraction and rounding such amount in accordance with Security Condition 22 (i) (*Rounding*). If the resulting amount is not an amount in the Settlement Currency it will be converted into the Settlement Currency at the Exchange Rate specified in the applicable Final Terms;

(c) if the Certificates are indicated as Floating Remuneration Amount Certificates in the relevant Final Terms, the Remuneration Amount payable on the relevant Remuneration Payment Date shall be an amount calculated by the Calculation Agent by applying the relevant Remuneration Rate to the Notional Amount of such Certificate and multiplying such amount by the Day Count Fraction specified in the applicable Final Terms and rounding such amount in accordance with Security Condition 22 (i) (*Rounding*).If the resulting amount is not an amount

in the Settlement Currency it will be converted into the Settlement Currency at the Exchange Rate specified in the applicable Final Terms.;

(d) if the Certificates are indicated as Linked Remuneration Amount Certificates in the relevant Final Terms, the Remuneration Amount payable on each Certificate on the relevant Remuneration Payment Date shall be an amount calculated by the Calculation Agent by applying the Remuneration Rate to the Notional Amount of such Certificate and, if a Day Count Fraction is specified in the applicable Final Terms, multiplying such amount by the applicable Day Count Fraction specified in the applicable Final Terms and rounding such amount in accordance with Security Condition 22 (i) (*Rounding*). If the resulting amount is not an amount in the Settlement Currency it will be converted into the Settlement Currency at the Exchange Rate specified in the applicable Final Terms.

"**Remuneration Barrier Event**" means that the Settlement Price is (a) "greater than", (b) "equal to or greater than", (c) "less than" (d) "less than or equal to", as specified in the applicable Final Terms, the Remuneration Barrier Level (x) on a Remuneration Barrier Observation Date or (y) in respect of a Remuneration Barrier Observation Period, as specified in the applicable Final Terms at any time during the relevant Remuneration Barrier Observation Period, as specified in the relevant Final Terms.

"**Remuneration Barrier Level**" is as defined in the Final Terms.

"**Remuneration Barrier Observation Date**" means each date specified as such in the applicable Final Terms or, if such date is not a Scheduled Trading Day (in the case of Index Securities, Share Securities, Debt Securities or ETI Securities, a Commodity Business Day (in respect of Commodity Securities), a Fund Business Day (in the case of Fund Securities) or Business Day (in the case of other Securities), as applicable, the next following Scheduled Trading Day, Commodity Business Day, Fund Business Day or Business Day, as applicable, unless, in the case of Index Securities, Share Securities, Commodity Securities, Debt Securities or ETI Securities, in the opinion of the Calculation Agent, any such day is a Disrupted Day (in the case of Index Securities, Share Securities, Debt Securities or ETI Securities, a Market Disruption Event is occurring on such day (in respect of Commodity Securities). If any such day is a Disrupted Day, a day on which a Market Disruption Event is occurring, as applicable, then the corresponding provisions in the definition of "Valuation Date" shall apply *mutatis mutandis* as if references in such provisions to "Valuation Date" were to "Remuneration Barrier Observation Date" or (in the case of Commodity Securities) if any such day is a day on which a Market Disruption Event is occurring, then the provisions of "Pricing Date" shall apply *mutatis mutandis* as if references in such provision to "Pricing Date" were to "Remuneration Barrier Observation Date". For the purposes of the Relevant Adjustment Provisions, any references to "Valuation Date" shall be deemed to refer to the "Remuneration Barrier Observation Date";

"**Remuneration Barrier Observation Period**" means the period indicated in the relevant Final Terms.

"**Remuneration Commencement Date**" means the Issue Date or such other date as may be specified in the relevant Final Terms.

"**Remuneration Determination Date**" has the meaning given to it in the Final Terms.

"**Remuneration Payment Condition**" means the occurrence of one of the following events:

(a) the Settlement Price is equal to and/or exceeds the Remuneration Payment Condition Level on a Remuneration Payment Condition Observation Date or at any time during the Remuneration Payment Condition Observation Period, as specified in the relevant Final Terms; or

(b) the Settlement Price is equal to and/or falls below the Remuneration Payment Condition Level on a Remuneration Payment Condition Observation Date or at any time during the Remuneration Payment Condition Observation Period, as specified in the relevant Final Terms; or

(c) any other event or condition described in the relevant Final Terms; or

(d) if the Securities are Leveraged Certificates, the Reference Level is equal to and/or exceeds the Remuneration Payment Condition Level on a Remuneration Payment Condition Observation Date.

Where:

"**Reference Level**" means:

Reference Level_0 × (1 + Participation Factor × (Fund Level_t - Fund Level_0) / Fund Level_0 - (Participation Factor-1) × Fees_t)

"**Reference Level_0**" means the number (expressed as a percentage) specified in the Final Terms.

"**Fund Level_0**" means the Settlement Price of the relevant Underlying Reference(s) as of the Fixing Date.

"**Fund Level_t**" means, in respect of a Remuneration Payment Condition Observation Date, the Settlement Price of the relevant Underlying Reference (s) as of the Calculation Date immediately preceding such Remuneration Payment Condition Observation Date.

"**Fixing Date**" means the Calculation Date immediately preceding the First

Calculation Date.

"**Calculation Date**" means each day on which the Settlement Price is calculated and published.

"**First Calculation Date**" means each day which is a Fund Business Day.

"**$Fees_t$**" means the cumulative leverage fee, expressed as a percentage and calculated by the Calculation Agent as the aggregate sum of the Fees Accrued during each Fees Accrual Period.

"**Fees Accrued**" means, in respect of a Fee Accrual Period, the fees accrued during such period, expressed as a percentage and calculated by the Calculation Agent as follows:

(Fee ISDA Rate + Fee Margin) × Day Count Fraction

"**Fee ISDA Rate**" means the floating rate determined according to the ISDA Determination under Security Condition 22(d)(i) as indicated in the applicable Final Terms.

"**Fee Margin**" is as defined in the relevant Final Terms.

"**Fee Accrual Period(s)**" means the periods commencing on (and including) the Fee Accrual Commencing Date up to (but excluding) the first Fee Accrual Date and each subsequent period commencing on (and including) a Fee Accrual Date up to (but excluding) the next following Fee Accrual Date. For the purposes of this Security Condition 22 and in relation to a Remuneration Payment Condition Observation Date, the last Fee Accrual Period shall be deemed to end on (but excluding) the Calculation Date immediately preceding such Remuneration Payment Condition Observation Date.

"**Fee Accrual Commencing Date**" is as defined in the relevant Final Terms.

"**Fee Accrual Date(s)**" is as defined in the relevant Final Terms.

"**Day Count Fraction**" is as defined in the relevant Final Terms.

"**Remuneration Payment Condition Level**" has the meaning given to it in the Final Terms.

"**Remuneration Payment Condition Observation Date**" means each date specified as such in the applicable Final Terms or, if such date is not a Scheduled Trading Day (in the case of Index Securities, Share Securities, Debt Securities or ETI Securities, a Commodity Business Day (in respect of Commodity Securities), a Fund Business Day (in the case of Fund

Securities) or Business Day (in the case of other Securities), as applicable, the next following Scheduled Trading Day, Commodity Business Day, Fund Business Day or Business Day, as applicable, unless, in the case of Index Securities, Share Securities, Commodity Securities, Debt Securities or ETI Securities, in the opinion of the Calculation Agent, any such day is a Disrupted Day (in the case of Index Securities, Share Securities, Debt Securities or ETI Securities, a Market Disruption Event is occurring on such day (in respect of Commodity Securities). If any such day is a Disrupted Day, a day on which a Market Disruption Event is occurring, as applicable, then the corresponding provisions in the definition of "Valuation Date" shall apply *mutatis mutandis* as if references in such provisions to "Valuation Date" were to "Remuneration Payment Condition Observation Date" or (in the case of Commodity Securities) if any such day is a day on which a Market Disruption Event is occurring, then the provisions of "Pricing Date" shall apply *mutatis mutandis* as if references in such provision to "Pricing Date" were to "Remuneration Payment Condition Observation Date". For the purposes of the Relevant Adjustment Provisions, any references to "Valuation Date" shall be deemed to refer to the "Remuneration Payment Condition Observation Date";

"**Remuneration Payment Condition Observation Period**" has the meaning given to it in the Final Terms.

"**Remuneration Payment Date(s)**" has the meaning given to it in the Final Terms.

"**Remuneration Period**" means the period commencing on (and including) the Remuneration Commencement Date to (but excluding) the first Remuneration Payment Date and each period commencing on (and including) a Remuneration Payment Date to (but excluding) the next following Remuneration Payment Date.

"**Remuneration Rate**" means the Rate, the $\text{Rate}_{(i)}$, the Rate $1_{(i)}$, the Rate $2_{(i)}$, as indicated in applicable Final Terms or the rate calculated according to the Formulas Condition 5.1 (*Remuneration Rates Formulas*);

"**Specified Duration**" means, with respect to any Floating Rate to be determined on a Remuneration Determination Date, the period specified in the relevant Final Terms.

"**TARGET System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET or TARGET2) System or any successor thereto.

"**TARGET Settlement Day**" means any day on which the TARGET System is open.

23. ACKNOWLEDGEMENT OF THE ITALIAN BAIL-IN POWER

Notwithstanding any provision of these Conditions or any other agreements, arrangements, or understandings between the Issuers and the Guarantor (where applicable) and any holder, and without prejudice to Article 55(1) of the BRRD, by its acquisition of the Securities each holder (which, for the purposes of this Security Condition

23, includes each holder of a beneficial interest in the Securities) acknowledges, accepts, consents to and agrees to be bound by:

a) the effects of the exercise of the Italian Bail-in Power by the Relevant Authority, which exercise may include and result in any of the following, or some combination thereof: (i) the reduction of all, or a portion, of the settlement amount in respect of the Securities together with any accrued but unpaid remuneration due thereon and any additional amounts (if any) due in relation thereto; (ii) the conversion of all, or a portion, of the settlement amount in respect of the Securities together with any accrued but unpaid remuneration due thereon and any additional amounts (if any) due in relation thereto, into ordinary shares, other securities or other obligations of the Issuer or another person (and the issue to or conferral on the holder of such shares, securities or obligations), including by means of an amendment, modification or variation of these Conditions; (iii) the cancellation of the Securities or the settlement amount in respect of the Securities together with any accrued but unpaid remuneration due thereon and any additional amounts (if any) due in relation thereto; and (iv) the amendment or alteration of the maturity of the Securities or amendment of the amount of remuneration payable on the Securities, or the date on which the remuneration amount becomes payable, including by suspending payment for a temporary period; and

b) the variation of these Conditions, as deemed necessary by the Relevant Authority, to give effect to the exercise of the Italian Bail-in Power by the Relevant Authority.

The exercise of the Italian Bail-in Power by the Relevant Authority shall not constitute an event of default and these Conditions shall remain in full force and effect save as varied by the Relevant Authority in accordance with this Security Condition 23.

24. ACKNOWLEDGEMENT OF THE LUXEMBOURG BAIL-IN POWER

Notwithstanding any provision of these Conditions or any other agreements, arrangements, or understandings between the Issuers and the Guarantor (where applicable) and any holder, and without prejudice to Article 55(1) of the BRRD (as transposed into Luxembourg law by Article 56(1) of the Luxembourg BRRD Law), by its acquisition of the Securities each holder (which, for the purposes of this Security Condition 24, includes each holder of a beneficial interest in the Securities) acknowledges, accepts, consents to and agrees to be bound by:

a) the effects of the exercise of the Luxembourg Bail-in Power by the Relevant Authority, which exercise may include and result in any of the following, or some combination thereof: (i) the reduction of all, or a portion, of the settlement amount in respect of the Securities together with any accrued but unpaid remuneration due thereon and any additional amounts (if any) due in relation thereto; (ii) the conversion of all, or a portion, of the settlement amount in respect of the Securities together with any accrued but unpaid remuneration due thereon and any additional amounts (if any) due in relation thereto, into ordinary shares or other types of capital instruments of the Issuer or another person (and the issue to or conferral on the holder of such shares or capital instruments), including by means of an amendment, modification or variation of these Conditions; (iii) the cancellation of the Securities or the settlement amount in respect of the Securities together with any accrued but unpaid remuneration due thereon and

any additional amounts (if any) due in relation thereto; and (iv) the amendment or alteration of the maturity of the Securities or amendment of the amount of remuneration payable on the Securities, or the date on which the remuneration amount becomes payable, including by suspending payment for a temporary period; and

b) the variation of these Conditions, as deemed necessary by the Relevant Authority, to give effect to the exercise of the Luxembourg Bail-in Power by the Relevant Authority.

The exercise of the Luxembourg Bail-in Power by the Relevant Authority shall not constitute an event of default and these Conditions shall remain in full force and effect save as varied by the Relevant Authority in accordance with this Security Condition 24.

ANNEX 1

ADDITIONAL TERMS AND CONDITIONS RELATING TO FORMULAS

The following terms and conditions (the "**Formulas Conditions**"), subject to completion in the applicable Final Terms, relate to the Final Payouts, Remuneration Rates, Automatic Early Settlement Payouts, Call Payouts and Put Payouts and Entitlements in respect of the Certificates. In particular, certain sections of the Formulas Conditions will be set out and completed in the applicable Final Terms. In the event of any inconsistency between the terms and conditions of the Securities (the "**Security Conditions**") and the Formulas Conditions, the Formulas Conditions shall prevail. The descriptions of the certain final payouts, put payouts and remunerations amount rates and/or related provisions included in italics below do not form part of the Formulas Conditions, are included for information purposes only and are subject to the detailed terms of the relevant final payouts, put payouts and remunerations amount rates as applicable.

1. FINAL PAYOUTS

1.1 Final Payouts Formulas

The following final payouts (each a "**Final Payout**") shall apply to the Securities if specified in the applicable Final Terms:

(a) **Single Final Payout - Protected Securities**

If Single Final Payout - Protected Securities is specified as applicable in the applicable Final Terms:

(i) if Settlement Price Final is less than or equal to the Protection Level:

Notional Amount × Protection Factor; or

(ii) if Settlement Price Final is greater than the Protection Level:

$$\text{Notional Amount} + \text{Notional Amount} \times \text{Participation Factor} \times \left(\left(\frac{\text{Settlement Price Final}}{\text{Strike Price}}\right) - 1\right)$$

Description of the Final Payout

If the Settlement Price of the Underlying Reference on the Valuation Date is equal to or less than the Protection Level, the Final Payout will equal the Notional Amount multiplied by the Protection Factor. Otherwise the Final Payout will equal the Notional Amount plus the performance of the Underlying Reference multiplied by the Participation Factor.

(b) **Single Final Payout - Protected Capped Securities**

If Single Final Payout - Protected Capped Securities is specified as applicable in the applicable Final Terms:

(i) if Settlement Price Final is less than or equal to the Protection Level:

Notional Amount × Protection Factor; or

(ii) if Settlement Price Final is greater than the Protection Level:

$$\text{Min (Notional Amount} + \text{Notional Amount} \times \text{Participation Factor} \times \left[\left(\frac{\text{Settlement Price Final}}{\text{Strike Price}}\right) - 1\right]; \text{Notional Amount} \times \text{Cap Level Percentage)}$$

Description of the Final Payout

If the Settlement Price of the Underlying Reference on the Valuation Date is equal to or less than the Protection Level, the Final Payout will equal the Notional Amount multiplied by the Protection Factor. Otherwise the Final Payout will equal the Notional Amount plus the performance of the Underlying Reference multiplied by the Participation Factor, subject to a cap of the Cap Level Percentage.

(c) **Single Final Payout - Parity and Exchange Securities**

If Single Final Payout - Parity and Exchange Securities is specified as applicable in the applicable Final Terms:

(i) if Settlement Price Final is less than or equal to the Maximum Payout Amount:

$$\frac{\text{Settlement Price Final}}{\text{Parity} \times \text{Exchange Rate Final}}; \text{ or}$$

(ii) if Settlement Price Final is greater than the Maximum Payout Amount:

$$\frac{\text{Maximum Payout Amount}}{\text{Parity} \times \text{Exchange Rate Final}}$$

Description of the Final Payout

If the Settlement Price of the Underlying Reference on the Valuation Date is equal to or less than the Maximum Payout Amount, the Final Payout will equal the Settlement Price on the Valuation Date (divided by the product of the Exchange Rate Final and Parity). Otherwise the Final Payout will equal the Maximum Payout Amount (divided by the product of the Exchange Rate Final and Parity).

(d) **Single Final Payout – Double Coupon Securities**

If Single Final Payout – Double Coupon Securities is specified as applicable in the applicable Final Terms:

(i) if Settlement Price Final is greater than the Barrier Level:

Notional Amount × (100% + Coupon Percentage 1); or

(ii) if Settlement Price Final is equal to or less than the Barrier Level:

$$\text{Notional Amount} \times \left(\frac{\text{Settlement Price Final}}{\text{Strike Price}} + \text{Coupon Percentage 2}\right)$$

Description of the Final Payout

If the Settlement Price of the Underlying Reference on the Valuation Date is greater than the Barrier Level, the Final Payout will equal the Notional Amount plus the Coupon Percentage 1. Otherwise the Final Payout will equal the Notional Amount multiplied for the performance of the Underlying Reference plus the Coupon Percentage 2 (which may also be a negative percentage).

(e) **Single Final Payout - Continuous Double Coupon Securities**

If Single Final Payout - Continuous Double Coupon Securities is specified as applicable in the applicable Final Terms:

(i) if at all times on each Observation Date during the Observation Period the Underlying Reference Level is greater than the Barrier Level:

Notional Amount × (100% + Coupon Percentage 1); or

(ii) if at any time on an Observation Date during the Observation Period the Underlying Reference Level is less than or equal to the Barrier Level:

$$\text{Notional Amount} \times \left(\frac{\text{Settlement Price Final}}{\text{Strike Price}} + \text{Coupon Percentage 2}\right)$$

Description of the Final Payout

If at all times on each Observation Date during the Observation Period the Underlying Reference Level is greater than the Barrier Level, the Final Payout will equal the Notional Amount plus the Coupon Percentage 1. Otherwise the Final Payout will equal the Notional Amount plus the performance of the Underlying Reference and the Coupon Percentage 2. (which may also be a negative percentage).

(f) **Single Final Payout - Leveraged Capped Securities**

If Single Final Payout - Leveraged Capped Securities is specified as applicable in the applicable Final Terms:

(i) if Settlement Price Final is greater than the Strike Price:

$$\text{Notional Amount} \times \text{Min}\left[\text{Participation Factor} \times \left(\frac{\text{Settlement Price Final} - \text{Strike Price}}{\text{Strike Price}}\right) + 1; \text{Cap Level Percentage}\right]$$

; or

(ii) if Settlement Price Final is less than or equal to the Strike Price:

$$\text{Notional Amount} \times \left(\frac{\text{Settlement Price Final}}{\text{Strike Price}}\right)$$

Description of the Final Payout

If the Settlement Price of the Underlying Reference on the Valuation Date is greater than the Strike Price, the Final Payout will equal the Notional Amount plus a Participation Factor multiplied by the performance of the Underlying Reference, subject to a cap of the Cap Level Percentage. Otherwise, the Final Payout will equal the Notional Amount plus the performance of the Underlying Reference.

(g) **Single Final Payout - Knock-Out Leveraged Capped Securities**

If Single Final Payout - Knock-Out Leveraged Capped Securities is specified as applicable in the applicable Final Terms:

(i) if Settlement Price Final is greater than the Strike Price:

$$\text{Notional Amount} \times \text{Min}\left[\text{Participation Factor} \times \left(\frac{\text{Settlement Price Final} - \text{Strike Price}}{\text{Strike Price}}\right) + 1; \text{Cap Level Percentage}\right];$$

(ii) if Settlement Price Final is less than or equal to the Strike Price and no Knock-out Event has occurred:

Notional Amount × AirbagPercentage; or

(iii) if Settlement Price Final is less than or equal to the Strike Price and a Knock-out Event has occurred:

$$\text{Notional Amount} \times \left(\frac{\text{Settlement Price Final}}{\text{Strike Price}}\right).$$

"**AirbagPercentage**" is as defined in the applicable Final Terms.

Description of the Final Payout

If the Settlement Price of the Underlying Reference on the Valuation Date is greater than the Strike Price, the Final Payout will equal the Notional Amount plus a Participation Factor multiplied by the lesser of the performance of the Underlying Reference and the Cap Level Percentage. Otherwise, the Final Payout will equal the Notional Amount plus the performance of the Underlying Reference.

(h) **Single Final Payout - Strike-Out Leveraged Capped Securities**

If Single Final Payout - Strike-Out Leveraged Capped Securities is specified as applicable in the applicable Final Terms:

(i) if Settlement Price Final is greater than the Strike Price:

$$\text{Notional Amount} \times \text{Min}\left[\text{Participation Factor} \times \left(\frac{\text{Settlement Price Final} - \text{Strike Price}}{\text{Strike Price}}\right) + 1; \text{Cap Level Percentage}\right]$$

(ii) if Settlement Price Final is less than or equal to the Strike Price and equal to or greater than the Barrier Level:

Notional Amount × AirbagPercentage; or

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

$$\text{Notional Amount} \times \left(\frac{\text{Settlement Price Final}}{\text{Strike Price}}\right)$$

where:

"**AirbagPercentage**" is as defined in the applicable Final Terms.

Description of the Final Payout

If the Settlement Price of the Underlying Reference on the Valuation Date is greater than the Strike Price, the Final Payout will equal the Notional Amount plus a Participation Factor multiplied by the lesser of the performance of the Underlying Reference and Cap Level Percentage.
If the Settlement Price of the Underlying Reference on the Valuation Date is less than or equal to the Strike Price and no Knock-out Event has occurred, the Final Payout will equal the Notional Amount multiplied by the AirbagPercentage. If the Settlement Price of the Underlying Reference on the Valuation Date is less than or equal to the Strike Price and the Knock-out Event has occurred, the Final Payout will equal the Notional Amount plus the performance of the Underlying Reference.

(i) **Single Final Payout - Capped Speed Securities**

If Single Final Payout - Capped Speed Securities is specified as applicable in the applicable Final Terms:

(i) if Settlement Price Final is greater than the Strike Price:

$$\left[\frac{\text{Strike Price} + \text{Speed Factor} \times [\text{Min (Upper Level; Settlement Price Final)} - \text{Strike Price}]}{[\text{Parity} \times \text{Exchange Rate Final}]}\right]$$

(ii) if Settlement Price Final is less than or equal to the Strike Price:

$$\frac{\text{Settlement Price Final}}{[\text{Parity} \times \text{Exchange Rate Final}]}$$

Description of the Final Payout

If the Settlement Price of the Underlying Reference on the Valuation Date is greater than the Strike Price, the Final Payout will equal the Strike Price plus the Speed Factor multiplied by the difference between (i) the lesser of the Upper Level and the Settlement Price of the Underlying Reference on the Valuation Date and (ii) the Strike Price, divided by the product of the Exchange Rate Final and Parity. Otherwise, the Final Payout will equal the Settlement Price of the Underlying Reference on the Valuation Date divided by the product of the Exchange Rate Final and Parity.

(j) **Single Final Payout - Capped Bonus Parity Exchange Securities**

If Single Final Payout - Capped Bonus Parity Exchange Securities is specified as applicable in the applicable Final Terms:

(i) if Settlement Price Final is greater than the Barrier Level:

$$\frac{\text{Bonus Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}; \text{ or}$$

(ii) if Settlement Price Final is less than or equal to the Barrier Level:

$$\frac{\text{Min [Settlement Price Final; Cap Level]}}{[\text{Parity} \times \text{Exchange Rate Final}]}$$

Description of the Final Payout

If the Settlement Price of the Underlying Reference on the Valuation Date is greater than the Barrier Level, the Final Payout will equal the Bonus Level (divided by the product of the

Exchange Rate Final and Parity). Otherwise the Final Payout will be equal to the Settlement Price on the Valuation Date, subject to a cap of the Cap Level, divided by the product of the Exchange Rate Final and Parity.

(k) **Single Final Payout - Capped Bonus Securities**

If Single Final Payout - Capped Bonus Securities is specified as applicable in the applicable Final Terms:

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

$$\text{Notional Amount} \times \text{Max (Bonus Level Percentage; } \frac{\text{Settlement Price Final}}{\text{Strike Price}})$$

(ii) if Settlement Price Final is equal to or greater than the Cap Level:

Notional Amount × Cap Level Percentage; or

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

$$\text{Notional Amount} \times \left(\frac{\text{Settlement Price Final}}{\text{Strike Price}}\right)$$

Description of the Final Payout

If the Settlement Price of the Underlying Reference on the Valuation Date is less than the Cap Level but equal to or greater than the Barrier Level, the Final Payout will equal the Notional Amount multiplied by the grater of the Bonus Level Percentage and the performance of the Underlying Reference. If the Settlement Price of the Underlying Reference on the Valuation Date is equal to or greater than the Cap Level, the Final Payout will equal the Notional Amount multiplied by the Cap Level Percentage. If the Settlement Price of the underlying Reference on the Valuation Date is less than the Barrier Level, the Final Payout will equal the Notional Amount plus the performance of the Underlying Reference.

(l) **Single Final Payout - Reverse Capped Securities**

If Single Final Payout - Reverse Capped Securities is specified as applicable in the applicable Final Terms:

(i) if no Knock-out Event has occurred and Settlement Price Final is greater than the Cap Level:

$$\text{Notional Amount} \times \text{Max [Reverse Capped Securities Percentage 1} - \text{Bonus Level Percentage; Reverse Capped Securities Percentage 2} - \frac{\text{Settlement Price Final}}{\text{Strike Price}} \text{]}$$

(ii) if no Knock-out Event has occurred and Settlement Price Final is less than or equal to the Cap Level:

Notional Amount × [Reverse Capped Securities Percentage 3 - Cap Level Percentage 1]; or

(iii) if a Knock-out Event has occurred:

$$\text{Notional Amount} \times \left[\text{Max}\left(\text{Floor Percentage; Min}\left(\left(\text{Reverse Capped Securities Percentage 4} - \frac{\text{Settlement Price Final}}{\text{Strike Price}}\right); (\text{Reverse Capped Securities Percentage 5} - \text{Cap Level Percentage 2})\right)\right)\right]$$

Description of the Final Payout

If the Settlement Price of the Underlying Reference on the Valuation Date is greater than the Cap Level and no Knock-out Event has occurred, the Final Payout will equal the Notional Amount multiplied by the lesser of (i) the Reverse Capped Securities Percentage 1 minus the Bonus Level Percentage or (ii) the Reverse Capped Securities Percentage 2 less the performance of the Underlying Reference.

If the Settlement Price of the Underlying Reference on the Valuation Date is equal to or less than the Cap Level, the Final Payout will equal the Notional Amount multiplied by Reverse Capped Securities Percentage 3 minus the Cap Level Percentage 1.

If a Knock-out Event has occurred, the Final Payout will equal the Notional Amount multiplied by the lesser of (i) the Reverse Capped Securities Percentage 4 minus the performance of the Underlying Reference and (ii) the Reverse Capped Securities Percentage 5 minus the Cap Level Percentage 2, provided that the Final Payout will not be less than the Notional Amount multiplied by the Floor Percentage.

(m) **Single Final Payout - Continuous Capped Bonus Parity Exchange Securities**

If Single Final Payout - Continuous Capped Bonus Parity Exchange Securities is specified as applicable in the applicable Final Terms:

(i) if the Underlying Reference Level has never been less than or equal to the Barrier Level at any time on any Observation Date during the Observation Period:

$$\frac{\text{Bonus Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}; \text{ or}$$

(ii) otherwise:

$$\frac{\text{Min [Settlement Price Final; Cap Level]}}{\text{[Parity} \times \text{Exchange Rate Final]}}$$

Description of the Final Payout

If the Underlying Reference Level has never been less than or equal to the Barrier Level during the Observation Period, the Final Payout will be equal to the Bonus Level (divided by the product of the Exchange Rate Final and Parity). Otherwise the Final Payout will be equal to the Settlement Price on the Valuation Date (divided by the product of the Exchange Rate Final and Parity) subject to a maximum of Cap Level (divided by the product of the Exchange Rate Final and Parity).

(n) **Single Final Payout - Continuous Capped Bonus Securities**

If Single Final Payout - Continuous Capped Bonus Securities is specified as applicable in the applicable Final Terms:

(i) if at all times on each Observation Date during the Observation Period the Underlying Reference Level is greater than the Barrier Level and if Settlement Price Final is less than the Cap Level:

$$\text{Notional Amount} \times \text{Max}\left(\text{Bonus Level Percentage}; \frac{\text{Settlement Price Final}}{\text{Strike Price}}\right)$$

(ii) if at all times on each Observation Date during the Observation Period the Underlying Reference Level is greater than the Barrier Level and if Settlement Price Final is greater than or equal to the Cap Level:

Notional Amount × Cap Level Percentage 1; or

(iii) if at any time on an Observation Date during the Observation Period the Underlying Reference Level is less than or equal to the Barrier Level:

$$\text{Notional Amount} \times \text{Min (Cap Level Percentage 2}; \frac{\text{Settlement Price Final}}{\text{Strike Price}})$$

Description of the Final Payout

If the Settlement Price of the Underlying Reference on the Valuation Date is less than the Cap Level and if at all times on each Observation Date during the Observation Period the Underlying Reference Level is greater than the Barrier Level, the Final Payout will equal the Notional Amount multiplied by the maximum of the Bonus Level Percentage and the performance of the Underlying Reference.

If the Settlement Price of the Underlying Reference on the Valuation Date is equal to or greater than the Cap Level and if at all times on each Observation Date during the Observation Period the Underlying Reference Level is greater than the Barrier Level, the Final Payout will equal the Notional Amount multiplied by the Cap Level Percentage 1.
If at any time on an Observation Date during the Observation Period the Underlying Reference Level is less than or equal to the Barrier Level the Final Payout will equal the Notional Amount multiplied by the performance of the Underlying Reference subject to a maximum of the Notional Amount multiplied by Cap Level Percentage 2.

(o) **Single Final Payout - Standard Express Securities**

If Single Final Payout - Standard Express Securities is specified as applicable in the applicable Final Terms:

(i) if Settlement Price Final is greater than the Barrier Level:

Express Amount; or

(ii) if Settlement Price Final is less than or equal to the Barrier Level:

$$\text{Issue Price} \times \left(\frac{\text{Settlement Price Final}}{\text{StrikePrice}}\right)$$

Description of the Payout

If the Settlement Price of the Underlying Reference on the Valuation Date is greater than the Barrier Level, the Final Payout will equal the Express Amount.
Otherwise, the Final Payout will equal the Issue Price plus the performance of the Underlying Reference.

(p) **Single Final Payout – Continuous Reverse Level Parity Exchange Securities**

If Single Final Payout – Continuous Reverse Level Parity Exchange Securities is specified as applicable in the applicable Final Terms:

(i) if at all times on each Observation Date during the Observation Period the Underlying Reference Level is less than the Barrier Level:

$$\frac{\text{Reverse Level} - \text{Bonus Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}\text{; or}$$

(ii) otherwise:

$$\text{Max}\left[0; \frac{\text{Reverse Level} - \text{Max [Settlement Price Final; Cap Level]}}{\text{Parity} \times \text{Exchange Rate Final}}\right]$$

Description of the Final Payout

If the Underlying Reference Level is at all times during the Observation Period less than the Barrier Level, the Final Payout will equal the difference between the Reverse Level and the Bonus Level (divided by the product of the Exchange Rate Final and Parity). Otherwise the Final Payout will equal the Reverse Level minus the greater of the Settlement Price on the Valuation Date and the Cap Level (divided by the product of the Exchange Rate Final and Parity), provided that, in such case, the Final Payout will not be less than zero.

(q) **Single Final Payout - Standard Step Memory Securities**

If Single Final Payout - Standard Step Memory Securities is specified as applicable in the applicable Final Terms:

(i) if Settlement Price Final is greater than the Strike Price:

Notional Amount × [100%+Premium Percentage × [n]];

(ii) if Settlement Price Final is less than or equal to the Strike Price and greater than the Barrier Level:

Notional Amount ×100%; or

(iii) if Settlement Price Final is less than or equal to the Barrier Level:

$$\text{Notional Amount} \times \left[100\% + \frac{\text{Settlement Price Final} - \text{Underlying Reference Initial}}{\text{Underlying Reference Initial}}\right]$$

Description of the Final Payout

If the Settlement Price of the Underlying Reference on the Valuation Date is greater than the Strike Price, the Final Payout will equal the Notional Amount plus a premium multiplied by a memory effect. If the Settlement Price of the Underlying Reference on the Valuation Date is lower than or equal to the Strike Price but greater than the Barrier Level, the Final Payout will equal the Notional Amount. If the Settlement Price of the Underlying Reference on the Valuation Date is less than or equal to the Barrier Level, the Final Payout will equal the Notional Amount plus the performance of the Underlying Reference.

(r) **Single Final Payout - Standard Memory Securities**

If Single Final Payout Standard Memory Securities is specified as applicable in the applicable Final Terms:

(i) if Settlement Price Final is greater than the Barrier Level:

Notional Amount × [100% + [Premium Percentage] × [n]]; or

(ii) if Settlement Price Final is less than or equal to the Barrier Level:

$$\text{Notional Amount} \times \left[100\% + \left(\frac{\text{Settlement Price Final} - \text{Underlying Reference Initial}}{\text{Underlying Reference Initial}}\right)\right]$$

Description of the Final Payout

If the Settlement Price of the Underlying Reference on the Valuation Date is greater than the Barrier Level, the Final Payout will equal the Notional Amount plus a premium multiplied by a memory effect.
Otherwise, the Final Payout will equal the Notional Amount plus the performance of the Underlying Reference.

(s) **Single Final Payout - Forex DivReinvested Fees Securities**

If Single Final Payout - Forex DivReinvested Fees Securities is specified as applicable in the applicable Final Terms:

$$\text{Cert}_{(t_0)} \times \text{AF}_{(t)} \times \left[\text{UR}_{(t)} \times \text{Fx}_{(t)} / \left(\text{UR}_{(t0)} \times \text{Fx}_{(t0)}\right)\right]$$

where:

"**$\text{ACT}_{(i,i-1)}$**" means the number of calendar days between two ACT Days;

"**ACT Day**" means Scheduled Trading Days, Commodity Business Days or calendar days as specified in the applicable Final Terms;

"**$\text{AF}_{(t)}$**" means fees $\text{factor}_{(t)}$ × div reinvested $\text{factor}_{(t)}$;

"**Applicable Withholding Tax**" means a percentage calculated by the Calculation Agent representing the amount of taxes deducted or withheld at source by or on behalf of any applicable authority having the power to tax in respect of any cash dividends ex-dividend at date_{ti} payable in respect of the relevant Share or a constituent share in an Index pursuant to any applicable double taxation treaty or domestic law prevailing at the time of the distribution;

"**$\text{Cert}_{(t0)}$**" means the amount specified as such in the applicable Final Terms;

"**div reinvested $\text{factor}_{(t)}$**" means:

(i) if the Underlying Reference is a Share or an Index (where in the determination of the Calculation Agent dividends on the constituent share are not reinvested in the Index),

Product $_{(ti=t0+1)}$ to $_{(ti=t)}$ (1 + Div Percentage × Gross $div_{(ti)}$ / $UR_{(ti-1)}$); or

(ii) otherwise, 1;

"**Div Percentage**" means:

(i) if Applicable Withholding Tax is specified as not applicable in the applicable Final Terms, the percentage specified as such in the applicable Final Terms;

(ii) if Applicable Withholding Tax is specified as applicable in the applicable Final Terms, an amount calculated by the Calculation Agent equal to 1 – Applicable Withholding Tax;

"**Exchange Rate Previous**" means Exchange Rate Initial or the Exchange Rate on the Initial Valuation Date as specified in the applicable Final Terms;

"**fees**" means the percentage specified as such in the applicable Final Terms;

"**fees factor$_{(t)}$**" means Product $_{(ti=t0+1)}$ to $_{(ti=t)}$ (1 – fees × $ACT_{(i,i-1)}$/360);

"**First Valuation Date**" means the Strike Date or the Initial Valuation Date, as specified in the Final Terms;

"**$Fx_{(t)}$**" means Exchange Rate Final;

"**$Fx_{(t0)}$**" means Exchange Rate Previous;

"**Gross $div_{(ti)}$**" means (i) if the Underlying Reference is a Share, any ordinary cash dividends (before deduction of any withholding or deduction of taxes at source by or on behalf of any applicable authority having the power to tax in respect of such dividend and without any tax credit refund or deduction granted by any applicable authority having the power to tax in respect of such dividend) ex-dividend at $date_{ti}$ and effectively paid or (ii) if the Underlying Reference is an Index, any ordinary cash dividends (before deduction of any withholding or deduction of taxes at source by or on behalf of any applicable authority having the power to tax in respect of such dividend and without any tax credit refund or deduction granted by any applicable authority having the power to tax in respect of such dividend) ex-dividend at date $_{ti}$ on any constituent share in such Index at date $_{ti}$, taking into account the weight of such constituent share at date $_{ti-1}$ and effectively paid, provided that if no ordinary cash dividends are paid ex-dividend at $date_{ti}$, Gross $div_{(ti)}$ will be zero;

"**Initial Valuation Date**" is the date specified as such in the applicable Final Terms. The Initial Valuation Date shall be deemed to be a Valuation Date and shall be subject to the provisions thereof;

"**$UR_{(t)}$**" means Settlement Price Final;

"**$UR_{(ti-1)}$**" means the Settlement Price of the Underlying Reference on the Scheduled Trading Day prior to the Dividend ex $Date_{(ti-1)}$; and

"**$UR_{(t0)}$**" means the Settlement Price of the Underlying Reference on the First Valuation Date.

Description of the Final Payout

The Final Payout replicates the performance of the Underlying Reference less certain amounts (including, but not limited to, fees (including quanto fees), dividends paid (if applicable) and roll fees depending on the Underlying Reference).

(t) **Single Final Payout – Continuous Bonus Floored Exchange Parity Securities**

If Single Final Payout – Continuous Bonus Floored Exchange Parity Securities is specified as applicable in the applicable Final Terms:

(i) if the Underlying Reference Level has never been less than or equal to the Barrier Level at any time on any Observation Date during the Observation Period:

$$\frac{\text{Max [Settlement Price Final;Bonus Level]}}{\text{[Parity} \times \text{Exchange Rate Final]}} \text{; or}$$

(ii) otherwise:

$$\frac{\text{Settlement Price Final}}{\text{[Parity} \times \text{Exchange Rate Final]}} .$$

Description of the Final Payout

If the Underlying Reference Level has never been less than or equal to the Barrier Level during the Observation Period, the Final Payout will be equal to the maximum between the Bonus Level (divided by the product of the Exchange Rate Final and Parity) and the Settlement Price on the Valuation Date (divided by the product of the Exchange Rate Final and Parity). Otherwise the Final Payout will be equal to the Settlement Price on the Valuation Date (divided by the product of the Exchange Rate Final and Parity).

(u) **Single Final Payout Continuous Bonus Floored Securities**

If Single Final Payout Continuous Bonus Floored Securities is specified as applicable in the applicable Final Terms:

(i) if at all times on each Observation Date during the Observation Period the Underlying Reference Level is greater than the Barrier Level:

$$\text{Notional Amount} \times \text{Max}\left(\text{Bonus Level Percentage}; \frac{\text{Settlement Price Final}}{\text{Strike Price}}\right) \text{; or}$$

(ii) if at any time on an Observation Date during the Observation Period the Underlying Reference Level is less than or equal to the Barrier Level:

$$\text{Notional Amount} \times \left(\frac{\text{Settlement Price Final}}{\text{Strike Price}}\right)$$

Description of the Final Payout

If at all times on each Observation Date during the Observation Period the Underlying Reference Level is greater than the Barrier Level, the Final Payout will equal the Notional Amount multiplied by the maximum between the Bonus Level Percentage and the performance of the Underlying Reference. Otherwise the Final Payout will equal the Notional Amount plus the performance of the Underlying Reference.

(v) **Single Final Payout – Continuous Capped Reverse Level Parity Exchange Securities**

If Single Final Payout – Continuous Capped Reverse Level Parity Exchange Securities is specified as applicable in the applicable Final Terms:

(i) if at all times on each Observation Date during the Observation Period the Underlying Reference Level has been less than the Barrier Level:

$$\frac{\text{Reverse Level} - \text{Min [Bonus Level;Settlement Price Final]}}{\text{[Parity} \times \text{Exchange Rate Final]}}; \text{ or}$$

(ii) otherwise:

$$\text{Max } \left[\frac{\text{Floor Level}}{(\text{Parity} \times \text{Exchange Rate Final})} ; \frac{(\text{Reverse Level} - \text{Settlement Price Final})}{(\text{Parity} \times \text{Exchange Rate Final})} \right]$$

Where

"**Floor Level**" is as defined in the applicable Final Terms.

Description of the Final Payout

If the Underlying Reference Level is less than the Barrier Level at all times during the Observation Period, the Final Payout will equal the Reverse Level minus the minimum between the Bonus Level and the Settlement Price on the Valuation Date (divided by the product of the Exchange Rate Final and Parity). Otherwise the Final Payout will equal the maximum between the Reverse Level minus the Settlement Price on the Valuation Date (divided by the product of the Exchange Rate Final and Parity) and the Floor Level (divided by the product of the Exchange Rate Final and Parity).

(w) **Single Final Payout – Upside and Downside Securities**

If Single Final Payout – Upside and Downside Securities is specified as applicable in the applicable Final Terms:

(i) if no Knock-out Event has occurred:

Notional Amount × [100% +Settlement Premium]; or

(ii) if a Knock-out Event has occurred:

$$\text{Notional Amount} \times \left(\frac{\text{Settlement Price Final}}{\text{Strike Price}}\right)$$

Where "**Settlement Premium**" means:

$$\text{Max [Upside Participation Factor} \times \left(\frac{\text{Settlement Price Final}}{\text{Strike Price}} - 1\right); \text{Downside Participation Factor} \times \left(1 - \frac{\text{Settlement Price Final}}{\text{Strike Price}}\right)]$$

Description of the Final Payout and Settlement Premium

If no Knock-out Event occurs, the Final Payout will equal the Notional Amount plus the Settlement Premium. Otherwise, the Final Payout will equal the Notional Amount plus the performance of the Underlying Reference. The Settlement Premium is the absolute value of the performance of the Underlying Reference multiplied by the relevant participation factor.

(x) **Single Final Payout - Capped Upside and Downside Securities**

If Single Final Payout Capped Upside and Downside Securities is specified as applicable in the applicable Final Terms:

(i) if Settlement Price Final is equal to or greater than the Cap Level and no Knock-out Event has occurred:

$$\text{Notional Amount} \times \text{Cap Level Percentage}$$

(ii) if Settlement Price Final is less than the Cap Level and no Knock-out Event has occurred:

Notional Amount × [100% +Settlement Premium]; or

(iii) if a Knock-out Event has occurred:

$$\text{[Notional Amount]} \times \text{Min}\left(\left(\frac{\text{Settlement Price Final}}{\text{Strike Price}}\right); \text{Cap Level Percentage}\right)$$

Where "**Settlement Premium**" means:

$$\text{Max [Upside Participation Factor} \times \left(\frac{\text{Settlement Price Final}}{\text{Strike Price}} - 1\right); \text{Downside Participation Factor} \times \left(1 - \frac{\text{Settlement Price Final}}{\text{Strike Price}}\right)$$

Description of the Final Payout and Settlement Premium

If the Settlement Price of the Underlying Reference on the Valuation Date is equal to or greater than the Cap Level and if no Knock-out Event occurs, the Final Payout will equal the Notional Amount multiplied by the Cap Level Percentage. If the Settlement Price of the Underlying Reference on the Valuation Date is less than the Cap Level and no Knock-out Event occurs, the Final Payout will equal the Notional Amount plus the Settlement Premium.
If the Knock-out Event has occurred, the Final Payout will equal the Notional Amount multiplied by the minimum between the performance of the Underlying Reference and the Cap Level Percentage. The Settlement Premium is the absolute value of the performance of the Underlying Reference multiplied by the relevant participation factor.

(y) **Single Final Payout – Continuous Bonus Barrier Securities**

If Single Final Payout – Continuous Bonus Barrier Securities is specified as applicable in the applicable Final Terms:

(i) if at any time on any Observation Date during the Observation Period the Underlying Reference Level is less than or equal to the Barrier Level and equal to or greater than the Bonus Level:

(A) if Settlement Price Final is less than or equal to the Bonus Level:

$$\frac{\text{Bonus Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}; \text{ or}$$

(B) if Settlement Price Final is greater than the Bonus Level:

$$\frac{\text{Settlement Price Final}}{[\text{Parity} \times \text{Exchange Rate Final}]}$$

(ii) if at any time on any Observation Date during the Observation Period the Underlying Reference Level is less than or equal to the Barrier Level and at all times less than the Bonus Level:

$$\frac{\text{Settlement Price Final}}{[\text{Parity} \times \text{Exchange Rate Final}]}; \text{or}$$

(iii) if at all times on each Observation Date during the Observation Period the Underlying Reference Level is greater than the Barrier Level:

(A) if Settlement Price Final is less than or equal to the Bonus Level:

$$\frac{\text{Bonus Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}\text{; or}$$

(B) if Settlement Price Final is greater than the Bonus Level:

$$\frac{\text{Settlement Price Final}}{[\text{Parity} \times \text{Exchange Rate Final}]}$$

Description of the Final Payout

If the Underlying Reference Level has at any time been less than or equal to the Barrier Level during the Observation Period and equal to or greater than the Bonus Level, the Final Payout will be equal to the maximum between the Bonus Level (divided by the product of the Exchange Rate Final and Parity) and the Settlement Price on the Valuation Date (divided by the product of the Exchange Rate Final and Parity). If the Underlying Reference has at any time been less than or equal to the Barrier Level during the Observation Period and at all times less than the Bonus Level, the Final Payout will be equal to the Settlement Price on the Valuation Date (divided by the product of the Exchange Rate Final and Parity). If the Underlying Reference Level has at all times been greater than the Barrier Level during the Observation Period, the Final Payout will be equal to the maximum between the Bonus Level (divided by the product of the Exchange Rate Final and Parity) and the Settlement Price on the Valuation Date (divided by the product of the Exchange Rate Final and Parity).

(z) **Single Final Payout – Capped Continuous Bonus Barrier Securities**

If Single Final Payout – Capped Continuous Bonus Barrier Securities is specified as applicable in the applicable Final Terms:

(i) if at any time on any Observation Date during the Observation Period the Underlying Reference Level is less than or equal to the Barrier Level and equal to or greater than the Bonus Level:

(A) if Settlement Price Final is less than or equal to the Bonus Level:

$$\frac{\text{Bonus Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}\text{; or}$$

(B) if Settlement Price Final is greater than the Bonus Level:

$$\text{Min}\ \frac{[\text{Settlement Price Final}, \text{Cap Percentage 1}]}{[\text{Parity} \times \text{Exchange Rate Final}]}$$

(ii) if at any time on any Observation Date during the Observation Period the Underlying Reference Level is less than or equal to the Barrier Level and at all times less than the Bonus Level:

$$\text{Min}\ \frac{[\text{Settlement Price Final}, \text{Cap Percentage 2}]}{[\text{Parity} \times \text{Exchange Rate Final}]}$$

(iii) if at all times on each Observation Date during the Observation Period the Underlying Reference Level is greater than the Barrier Level:

(A) if Settlement Price Final is less than or equal to the Bonus Level:

$$\frac{\text{Bonus Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}\text{; or}$$

(B) if Settlement Price Final is greater than the Bonus Level:

$$\text{Min}\ \frac{[\text{Settlement Price Final}, \text{Cap Percentage 3}]}{[\text{Parity} \times \text{Exchange Rate Final}]}$$

Description of the Final Payout

If the Underlying Reference Level has at any time been less than or equal to the Barrier Level during the Observation Period and equal to or greater than the Bonus Level, the Final Payout will be equal to the maximum between the Bonus Level (divided by the product of the Exchange Rate Final and Parity) and the Settlement Price on the Valuation Date subject to a maximum of Cap Percentage 1 (divided by the product of the Exchange Rate Final and Parity).

If the Underlying Reference has at any time been less than or equal to the Barrier Level during the Observation Period and at all times less than the Bonus Level, the Final Payout will be equal to the Settlement Price on the Valuation Date subject to a Cap Percentage 2 (divided by the product of the Exchange Rate Final and Parity). If the Underlying Reference Level has at all times been greater than the Barrier Level during the Observation Period, the Final Payout will be equal to the maximum between the Bonus Level (divided by the product of the Exchange Rate Final and Parity) and the Settlement Price on the Valuation Date subject to a maxium of Cap Percentage 3(divided by the product of the Exchange Rate Final and Parity).

(aa) **Single Final Payout - Lower Collared Knock-Out Securities**

If Single Final Payout - Lower Collared Knock-Out Securities is specified as applicable in the applicable Final Terms:

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

$$\frac{\text{Upper Level} - \text{Lower Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}$$

(ii) if the Settlement Price Final is greater than the Lower Level and less than the Upper Level:

$$\frac{\text{Settlement Price Final} - \text{Lower Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}$$;or

(iii) if the Settlement Price Final is less than or equal to the Lower Level:

$$\frac{\text{Final Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}$$

where:

"**Final Level**" is as defined in the applicable Final Terms.

Description of the Final Payout

If the Settlement Price of the Underlying Reference on the Valuation Date is greater than the Lower Level, the Final Payout will be equal to the Settlement Price of the Underlying Reference on the Valuation Date less the Lower Level (divided by the product of the Exchange Rate Final and Parity), provided that, in such case, the Final Payout will not be greater than the Upper Level less the Lower Level (divided by the product of the Exchange Rate Final and Parity). If the Settlement Price of the Underlying Reference on the Valuation Date is less than or equal to the Lower Level, the Final Payout equals to Final Level (divided by the product of the Exchange Rate Final and Parity).

(bb) **Single Final Payout - Upper Collared Knock-Out Securities**

If Single Final Payout - Upper Collared Knock-Out Securities is specified as applicable in the applicable Final Terms:

(i) if the Settlement Price Final is less than or equal to the Lower Level:

$$\frac{\text{Upper Level} - \text{Lower Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}$$

(ii) if the Settlement Price Final is greater than the Lower Level but less than the Upper Level:

$$\frac{\text{Upper Level} - \text{Settlement Price Final}}{[\text{Parity} \times \text{Exchange Rate Final}]}$$; or

(iii) if the Settlement Price Final is equal to or greater than the Upper Level:

$$\frac{\text{Final Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}.$$

Where

"**Final Level**" is as defined in the applicable Final Terms.

Description of the Final Payout

If the Settlement Price of the Underlying Reference on the Valuation Date is less than the Upper Level, the Final Payout will equal the Upper Level less the Settlement Price of the Underlying Reference on the Valuation Date (divided by the product of the Exchange Rate Final and Parity), provided that the Final Payout will not be greater than the Upper Level less the Lower Level (divided by the product of the Exchange Rate Final and Parity). If the Settlement Price of the Underlying Reference on the Valuation Date is equal to or greater than the Upper Level, the Final Payout equals to Final Level (divided by the product of the Exchange Rate Final and Parity).

(cc) **Single Final Payout - Continuous Lower Knock-Out Securities**

If Single Final Payout - Continuous Lower Knock-Out Securities is specified as applicable in the applicable Final Terms:

(i) if at all times on each Observation Date during the Observation Period the Underlying Reference Level is greater than the Lower Level:

(A) if Settlement Price Final is greater than the Lower Level: $\frac{\text{Upper Level} - \text{Lower Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}$;or

(B) if Settlement Price Final is less than or equal to the Lower Level:

$$\frac{\text{Final Level 1}}{[\text{Parity} \times \text{Exchange Rate Final}]}.$$; or

(ii) if at any time on an Observation Date during the Observation Period the Underlying Reference Level is less than or equal to the Lower Level:

(A) if Settlement Price Final is equal to or greater than the Upper Level:

$$\frac{\text{Upper Level} - \text{Lower Level}}{[\text{Parity} \times \text{Exchange Rate Final}]};$$

(B) if Settlement Price Final is greater than the Lower Level but less than the Upper Level:

$$\frac{\text{Settlement Price Final} - \text{Lower Level}}{[\text{Parity} \times \text{Exchange Rate Final}]} \text{ or}$$

(C) if the Settlement Price Final is less than or equal to the Lower Level:

$$\frac{\text{Final Level 2}}{[\text{Parity} \times \text{Exchange Rate Final}]}$$

where:

"**Final Level 1**" is as defined in the applicable Final Terms;

"**Final Level 2**" is as defined in the applicable Final Terms.

Description of the Final Payout

If the Underlying Reference Level is at all times during the Observation Period greater than the Lower Level and if the Settlement Price of the Underlying Reference on the Valuation Date is greater than the Lower Level, then the Final Payout equals the Upper Level less the Lower Level (divided by the product of the Exchange Rate Final and Parity). Otherwise, if the Settlement Price of the Underlying Reference on the Valuation Date is less than or equal to the Lower Level, then the Final Payout equals to Final Level 1 (divided by the product of the Exchange Rate Final and Parity). If the Underlying Reference Level has at any time during the Observation Period been less than or equal to the Lower Level and if the Settlement Price of the Underlying Reference on the Valuation Date is greater than the Lower Level, the Final Payout will equal the Settlement Price of the Underlying Reference on the Valuation Date less the Lower Level (divided by the product of the Exchange Rate Final and Parity), provided that, in such case, the Final Payout will not be greater than the Upper Level less the Lower Level (divided by the product of the Exchange Rate Final and Parity). Otherwise, if the Settlement Price of the Underlying Reference on the Valuation Date is less than or equal to the Lower Level, then the Final Payout equals to Final Level 2 (divided by the product of the Exchange Rate Final and Parity).

(dd) **Single Final Payout - Continuous Upper Knock-Out Securities**

If Single Final Payout - Continuous Upper Knock-Out Securities is specified as applicable in the applicable Final Terms:

(i) if at all times on each Observation Date during the Observation Period the Underlying Reference Level is less than the Upper Level:

(A) if Settlement Price Final is less than the Upper Level:

$$\frac{\text{Upper Level} - \text{Lower Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}\text{; or}$$

(B) if Settlement Price Final is equal to or greater than the Upper Level:

$$\frac{\text{Final Level 1}}{[\text{Parity} \times \text{Exchange Rate Final}]}\text{; or}$$

(ii) if at any time on an Observation Date during the Observation Period the Underlying Reference Level is equal to or greater than the Upper Level:

(A) if Settlement Price Final is less than or equal to the Lower Level:

$$\frac{\text{Upper Level} - \text{Lower Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}\text{; or}$$

(B) if Settlement Price Final is greater than the Lower Level but less than the Upper Level:

$$\frac{\text{Upper Level} - \text{Settlement Price Final}}{[\text{Parity} \times \text{Exchange Rate Final}]}\text{; or}$$

(C) if Settlement Price Final is equal to or greater than the Upper Level:

$$\frac{\text{Final Level 2}}{[\text{Parity} \times \text{Exchange Rate Final}]}$$

where:

"**Final Level 1**" is as defined in the applicable Final Terms.

"**Final Level 2**" is as defined in the applicable Final Terms.

Description of the Final Payout

If the Underlying Reference Level is at all times during the Observation Period less than the Upper Level and if the Settlement Price of the Underlying Reference on the Valuation Date is less than the Upper Level, then the Final Payout will equal the Upper Level less the Lower Level (divided by the product of the Exchange Rate Final and Parity). Otherwise, if the Settlement Price of the Underlying Reference on the Valuation Date is equal to or greater than the Upper Level, then the Final Payout equals to Final Level 1 (divided by the product of the

Exchange Rate Final and Parity). If the Underlying Reference Level has been at any time during the Observation Period equal to or greater than the Upper Level, and if the Settlement Price of the Underlying Reference on the Valuation Date is less than the Upper Level, then the Final Payout will equal the Upper Level less the Settlement Price of the Underlying Reference on the Valuation Date (divided by the product of the Exchange Rate Final and Parity), provided that, in such case, the Final Payout will not be greater than the Upper Level less the Lower Level (divided by the product of the Exchange Rate Final and Parity). Otherwise, if the Settlement Price of the Underlying Reference on the Valuation Date is greater than or equal to the Upper Level, then the Final Payout equals to Final Level 2 (divided by the product of the Exchange Rate Final and Parity).

(ee) **Single Final Payout – Standard Call and Put Securities**

If Single Final Payout – Standard Call and Put Securities is specified as applicable in the applicable Final Terms:

(i) if the Securities are specified in the applicable Final Terms as being Call Securities:

$$\frac{\text{Max}(0;\text{Settlement Price Final}-\text{Strike Price})}{[\text{Parity}\times\text{Exchange Rate Final}]}\text{; or}$$

(ii) if the Securities are specified in the applicable Final Terms as being Put Securities:

$$\frac{\text{Max}(0;\text{Strike Price}-\text{Settlement Price Final})}{[\text{Parity}\times\text{Exchange Rate Final}]}$$

Description of the Final Payout

The Final Payout will be equal to (i) in the case of Call Securities, the greater of the excess (if any) of the Settlement Price on the Valuation Date over the Strike Price and zero, or (ii) in the case of Put Securities, the greater of the excess (if any) of the Strike Price over the Settlement Price on the Valuation Date and zero, in each case divided by the product of the Exchange Rate Final and Parity.

(ff) **Single Final Payout - Knock-In Call and Put Securities**

If Single Final Payout - Knock-In Call and Put Securities is specified as applicable in the applicable Final Terms:

(i) if the Securities are specified in the applicable Final Terms as being Call Securities:

(A) if no Knock-in Event has occurred,

$$\frac{\text{Final Level}}{[\text{Parity}\times\text{Exchange Rate Final}]}\text{; or}$$

(B) if a Knock-in Event has occurred but no Knock-out Event has occurred:

$$\frac{\text{Max (0;Settlement Price Final} - \text{Strike Price)}}{\text{[Parity} \times \text{Exchange Rate Final]}} \text{ ; or}$$

(ii) if the Securities are specified in the applicable Final Terms as being Put Securities:

(A) if no Knock-in Event has occurred,

$$\frac{\text{Final Level}}{\text{[Parity} \times \text{Exchange Rate Final]}}.$$

(B) if a Knock-in Event has occurred but no Knock-out Event has occurred:

$$\frac{\text{Max (0; Strike Price} - \text{ Settlement Price Final)}}{\text{[Parity} \times \text{Exchange Rate Final]}}$$

where:

"**Final Level**" is as defined in the applicable Final Terms.

Description of the Final Payout

If no Knock-in Event has occurred, the Final Payout equals the Final Level (divided by the product of the Exchange and Parity). If a Knock-in Event has occurred then the Final Payout will be equal to (i) in the case of Call Securities, the greater of the excess (if any) of the Settlement Price on the Valuation Date over the Strike Price and zero, or (ii) in the case of Put Securities, the greater of the excess (if any) of the Strike Price over the Settlement Price on the Valuation Date and zero, in each case divided by the product of the Exchange Rate Final and Parity.

(gg) **Single Final Payout - Capitalised Call and Put Securities**

If Single Final Payout - Capitalised Call and Put Securities is specified as applicable in the applicable Final Terms:

(i) if the Securities are specified in the applicable Final Terms as being Call Securities:

$$\text{Max}\left(0; \left(\frac{\text{Final Price} - \text{Capitalised Exercise Price}}{\text{Parity} \times \text{Conversion Rate Final}}\right)\right) \text{ ; or}$$

(ii) if the Securities are specified in the applicable Final Terms as being Put Securities:

$$\text{Max}\left(0; \left(\frac{\text{Capitalised Exercise Price} - \text{Final Price}}{\text{Parity} \times \text{Conversion Rate Final}}\right)\right)$$

Description of the Final Payout

The Final Payout will be equal to (i) in the case of Call Securities, the greater of the excess (if any) of the Final Price over the Capitalised Exercise Price and zero, or (ii) in the case of Put Securities, the greater of the excess (if any) of the Capitalised Exercise Price over the Final Price and zero, in each case divided by the product of the Conversion Rate Final and Parity.

(hh) **Single Final Payout - Leverage Factor Securities**

If Single Final Payout - Leverage Factor Securities is specified as applicable in the applicable Final Terms:

(i) in respect of a Bull Certificate, the Bull Certificate Value on the relevant Valuation Date; or

(ii) in respect of a Bear Certificate, the Bear Certificate Value on the relevant Valuation Date,

in each case, converted into the Settlement Currency at the Exchange Rate on the relevant Valuation Date.

Where:

"**Adjusted Bear CV**" or "**Adjusted Bull CV**" means an amount calculated by the Calculation Agent in accordance with the Bear CV_t formula or the Bull CV_t formula, as the case may be, in this Formulas Condition 1.1(hh) except that:

(i) with respect to any calculation to be made following the first Reset Event occurring during an Observation Time Period (the "**Relevant Observation Time Period**") U_t will be the Reset Price calculated following the relevant Reset Event Determination Time;

(ii) with respect to any subsequent Reset Events occurring within the Relevant Observation Time Period:

(a) Bear CV_{t-1} will be the Adjusted Bear CV and Bull CV_{t-1} will be the Adjusted Bull CV, as the case may be, last calculated prior to the relevant Reset Event Determination Time;

(b) FC_t is equal to (0) zero;

(c) U_t is the Reset Price calculated following the relevant Reset Event Determination Time;

(d) U_{t-1} is the Reset Price last calculated prior to the relevant Reset Event Determination Time;

(e) in the case of Index Securities or Share Securities, div_t^{net} and div_t^{gross} will be equal to (0) zero; and

(f) in the case of Commodity Securities and Index Securities to which Futures Price Valuation applies, rc_{t-1} will be equal to (0) zero.

"**Bear CV_0**" means the Issue Price per Certificate converted into the Calculation Currency at the Exchange Rate on the Relevant Business Day preceding the Commencement Date (t=0);

"**Bear CV_{t-1}**" means, in respect of the calculation of Bear CV_t, the Bear Certificate Value last calculated, provided that, the Bear CV_{t-1} for the Listing Date is Bear CV_0;

"**Bear Certificate Value**" or "**Bear CV_t**" means, in respect of a Relevant Business Day, an amount calculated by the Calculation Agent in accordance with the following formula:

(i) in the case of Index Securities or Share Securities:

$$\max\ [Bear\ CV_{t-1} \times \left(1 - L \times \left(\frac{U_t + div_t^{gross}}{U_t - 1} - 1\right)\right) + FC_t; 0.5\% \times Bear\ CV_{t-1}]\ ;$$

(ii) in the case of Commodity Securities or Index Securities to which Futures Price Valuation applies:

$$\max\ [Bear\ CV_{t-1} \times \left(1 - L \times \left(\frac{U_t}{U_{t-1+rc_{t-1}}} - 1\right)\right) + FC_t; 0.5\% \times Bear\ CV_{t-1}]\ ;\ \text{or}$$

(iii) in the case of Currency Securities:

$$\max\ [Bear\ CV_{t-1} \times \left(1 - L \times \left(\frac{U_t}{U_t - 1} - 1\right)\right) + FC_t; 0.5\% \times Bear\ CV_{t-1}];$$

"**Bull CV_0**" means the Issue Price per Certificate converted into the Calculation Currency at the Exchange Rate on the Relevant Business Day preceding the Commencement Date (t=0);

"**Bull Certificate Value**" or "**Bull CV_t**" means, in respect of a Relevant Business Day, an amount calculated by the Calculation Agent in accordance with the following formula:

(i) in the case of Index Securities or Share Securities:

$$\max\ [Bull\ CV_{t-1} \times \left(1 + L \times \left(\frac{U_t + div_t^{net}}{U_t - 1} - 1\right)\right) + FC_t; 0.5\% \times Bull\ CV_{t-1}]\ ;$$

(ii) in the case of Commodity Securities or Index Securities to which Futures Price Valuation applies:

$$\max\ [Bull\ CV_{t-1} \times \left(1 + L \times \left(\frac{U_t}{U_t - 1 + rc_{t-1}} - 1\right)\right) + FC_t; 0.5\% \times Bull\ CV_{t-1}];\ \text{or}$$

(iii) in the case of Currency Securities:

$$\max\ \left[Bull\ CV_{t-1} \times \left(1 + L \times \left(\frac{U_t}{U_t - 1} - 1\right)\right) + FC_t; 0.5\% \times Bull\ CV_{t-1}\right]$$;and

"**Bull CV**$_{t-1}$" means, in respect of the calculation of Bull CV$_t$, the Bull Certificate Value last calculated, provided that the Bull CV$_{t-1}$ for the Listing Date is Bull CV$_0$;

"**Calculation Currency**" means the currency of the Underlying Reference (in respect of Index Securities, Share Securities and Commodity Securities) or the Alternative Currency (in respect of Currency Securities);

"**Calculation Time**$_t$" means, in respect of a Relevant Business Day, the Scheduled Closing Time (in respect of Index Securities and Share Securities), the time at which the official closing level of the relevant Index is published or, if First Traded Price Applicable is specified in the applicable Final Terms, the time at which the First Traded Price of the relevant Futures or Option Exchange is published (in respect of Index Securities to which Futures Price Valuation applies), the time at which the relevant Commodity Reference Price is published by the relevant Exchange (in respect of Commodity Securities) or the Valuation Time (in respect of Currency Securities), in each case on such Relevant Business Day;

"**Calculation Time**$_{t-1}$" means, in respect of a Relevant Business Day, the Scheduled Closing Time (in respect of Index Securities and Share Securities), the time at which the official closing level of the relevant Index is published or, if First Traded Price Applicable is specified in the applicable Final Terms, the time at which the First Traded Price of the relevant Futures or Option Exchange is published (in respect of Index Securities to which Futures Price Valuation applies), the time at which the relevant Commodity Reference Price is published by the relevant Exchange (in respect of Commodity Securities) or the Valuation Time (in respect of Currency Securities), in each case on the Relevant Business Day immediately preceding such day;

"**Commencement Date**" means, the Listing Date of the relevant Bear Certificate or Bull Certificate (t=1);

"**Cut-off Time**" means the time specified as such in the applicable Final Terms and (in the case of Index Securities, Share Securities, Commodity Securities or Index Securities to which Futures Price Valuation applies) if not specified, 7.00 p.m. (local time in the city in which the relevant Exchange or Futures or Options Exchange is situated), in the case of a normal trading session and 3.00 p.m. (local time in the city in which the relevant Exchange or Futures or Options Exchange is situated), in the case of a half day trading session;

"$\mathbf{div_t^{gross}}$" means, in respect of an Ex-Dividend Date, an amount determined by the Calculation Agent equal to the sum of the gross cash dividends and/or other cash distributions payable in

respect of the relevant Underlying Reference (or in the case of an Index, in respect of each Index Share (as defined below) related to such Ex-Dividend Date

"$\mathbf{div_t^{net}}$" means, in respect of an Ex-Dividend Date, an amount determined by the Calculation Agent equal to the sum of the cash dividends and/or other cash distributions payable in respect of the relevant Underlying Reference (or in the case of an Index, in respect of each Index Share (as defined below) related to such Ex-Dividend Date less any taxes deducted or withheld at source by or on behalf of any applicable authority having the power to tax in respect of such dividends pursuant to any applicable double taxation treaty or domestic law prevailing at the time of the distribution;

"**Ex-Dividend Date**" means, with respect to a Share or share comprising an Index (an "**Index Share**"), the date on which such Share or Index Share becomes "ex-dividend" as determined by the Calculation Agent;

"**Fee**" or "**F**" means the percentage specified as such in the applicable Final Terms. The Calculation Agent, acting in good faith and in a commercially reasonable manner, may adjust the Fee within the Fee Range to reflect a change in the cost to the Issuer of issuing the Securities or providing a price in the secondary market. Where the Securities are traded on the Multilateral Trading Facility of securitised derivatives financial instruments (the "**SeDeX**"), organised and managed by Borsa Italiana, the Fee may only be adjusted downwards and on the occurrence of such adjustment, the new Fee will be notified by the Calculation Agent to Borsa Italiana and published on the website www.mediobanca.com;

"**Fee Range**" means the range specified as such in the applicable Final Terms;

"**Financing Component**$_{(t)}$" or "$\mathbf{FC_t}$" means, in respect of a Relevant Business Day:

(i) in the case of Bear Certificates that are Index Securities or Share Securities:

$$-CV_{t-1} \times \left((-L-1) \times (r_{t-1}^{u} - rm) + L \times (hc + F)\right) \times n\,(t-1, t);$$

(ii) in the case of Bull Certificates that are Index Securities or Share Securities:

$$-CV_{t-1} \times \left((L-1) \times (r_{t-1}^{u} + rm) + L \times (hc + F)\right) \times n\,(t-1, t);$$

(iii) in the case of Bear Certificates that are Commodity Securities or Index Securities to which Futures Price Valuation applies:

$$-CV_{t-1} \times \left(-(r_{t-1}^{u} - rm) + L \times (hc + F)\right) \times n\,(t-1, t);$$

(iv) in the case of Bull Certificates that are Commodity Securities or Index Securities to which Futures Price Valuation applies:

$$-CV_{t-1} \times \left(-(r_{t-1}^{u} - rm) + L \times (hc + F)\right) \times n\,(t-1, t);$$

(v) in the case of Bear Certificates that are Currency Securities:

$$-CV_{t-1} \times (-r_{t-1}^{ub} - L \times (r_{t-1}^{ub} - r_{t-1}^{ur} - rm) + L \times (hc + F)) \times n\,(t-1, t);$$ or

(vi) in the case of Bull Certificates that are Currency Securities:

$$-CV_{t-1} \times (-r_{t-1}^{ub} + L \times (r_{t-1}^{ub} - r_{t-1}^{ur} + rm) + L \times (hc + F)) \times n\,(t-1, t);$$

"**Hedging Cost**" or "**hc**" means the percentage specified as such in the applicable Final Terms. If at any time after the Listing Date the cost of hedging the Securities materially exceeds such specified percentage, the Calculation Agent acting in good faith and in a commercially reasonable manner, may adjust the Hedging Cost, to reflect this change, save that the Hedging Cost will not be less than the Minimum Hedging Cost and will not exceed the Maximum Hedging Cost. If the Securities are traded on the Multilateral Trading Facility of securitised derivatives financial instruments (the "**SeDeX**"), organised and managed by Borsa Italiana and the Hedging Cost is amended as provided above, the new Hedging Cost will be notified by the Calculation Agent to Borsa Italiana and/or any other relevant exchange, and published on the website www.mediobanca.com;

"**Interest Margin**" or "**rm**" means the percentage specified as such in the applicable Final Terms. The Calculation Agent may adjust the Interest Margin, acting in good faith and in a commercially reasonable manner, to reflect any disparity between the Reference Interest Rate and the Issuer's funding rate, save that the Interest Margin will not be less than the Minimum Interest Margin and will not exceed the Maximum Interest Margin;

"**Leverage Factor**" or "**L**" means the positive number specified as such in the applicable Final Terms;

"**Maximum Hedging Cost**" means the percentage specified as such in the applicable Final Terms;

"**Maximum Interest Margin**" means the percentage specified as such in the applicable Final Terms;

"**Minimum Hedging Cost**" means the percentage specified as such in the applicable Final Terms;

"**Minimum Interest Margin**" means the percentage specified as such in the applicable Final Terms;

"**Observation Price**" means the "official level", "opening price", "official close", "closing price", "purchase price", "sale price", "last price", "bid price", "asked price", "traded price", "official settlement price", "daily settlement price", "high", "mid", "low", "bid high", "bid low", "ask high", "ask low", as specified in the applicable Final Terms, of the Underlying Reference published by the Observation Price Source;

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

"**Observation Time Period**" means, in respect of a Relevant Business Day, the period of time from but excluding Calculation Time_{t-1} to and including Calculation Time_t;

"**Rate Period**" or "**n(t-1,t)**" means, in respect of a Relevant Business Day, (i) the number of calendar days from (and including) the Relevant Business Day immediately preceding such Relevant Business Day to (but excluding) such Relevant Business Day, divided by (ii) 360;

"**Reference Floating Rate**" means, in respect of a Relevant Business Day, the Reference Floating Rate Option in respect of such day appearing on the Reference Floating Rate Option Page at the Reference Floating Rate Option Calculation Time or if the relevant rate does not appear on such page at such time, the Reference Floating Rate Option for such Relevant Business Day shall be determined by the Calculation Agent at such time and from such source(s) as it may select acting in good faith and in a commercially reasonable manner;

"**Reference Floating Rate Option**" means the relevant rate and designated maturity specified as such in the applicable Final Terms;

"**Reference Floating Rate Option Page**" means the page or price source specified as such in the applicable Final Terms;

"**Reference Floating Rate Option Time**" means the time specified as such in the applicable Final Terms;

"**Reference Interest Rate**", "$\boldsymbol{r_{t-1}^{u}}$", "$\boldsymbol{r_{t-1}^{ub}}$" or "$\boldsymbol{r_{t-1}^{ur}}$" means, in respect of a Relevant Business Day, the fixed rate specified as such in the applicable Final Terms or the Reference Floating Rate for the Relevant Business Day immediately preceding such day as specified in the applicable Final Terms;

"**Relevant Business Day**" means, an Exchange Business Day (in respect of Index Securities or Share Securities), a Commodity Business Day (in respect of Commodity Securities) or a Scheduled Trading Day (in respect of Currency Securities), as specified in the applicable Final Terms;

"**Reset Price**" means the price of the relevant Underlying Reference determined by the Calculation Agent by reference to the price obtained by unwinding any underlying related hedging arrangements in respect of the relevant Security during the Unwinding Time Period immediately following the relevant Reset Event Determination Time. The Unwinding Time Period shall occur during the opening hours of the relevant Exchange (in the case of Index Securities, Share Securities or Commodity Securities), the opening hours of the relevant Futures or Options Exchange (in the case of Index Securities to which Futures Price Valuation applies) or immediately following the occurrence of the relevant Reset Event Determination

Time (in respect of Currency Securities). If the period between the occurrence of the latest Reset Event Determination Time and the official closing time of the relevant Exchange (in the case of Index Securities, Share Securities or Commodity Securities) or Futures or Options Exchange (in the case of Index Securities to which Futures Price Valuation applies) or the twelve hour period immediately following the occurrence of the relevant Reset Event Determination Time (in respect of Currency Securities) would otherwise include a day that is not a Relevant Business Day, then the period for determining the Reset Price shall be extended to the following Relevant Business Day, until a full period equal to the Unwinding Time Period has passed since the most recent Reset Event Determination Time;

"**Reset Threshold**" means, in respect of a Relevant Business Day, an amount calculated by the Calculation Agent in accordance with the following formula:

(i) in respect of Bear Certificates that are Index Securities or Share Securities:

$$(1 + P_{reset}) \times U_{t-1} - div_{t}^{gross} \quad ;$$

(ii) in respect of Bull Certificates that are Index Securities or Share Securities:

$$(1 - P_{reset}) \times U_{t-1} - div_{t}^{net} \; ;$$

(iii) in respect of Bear Certificates that are Commodity Securities or Index Securities to which Futures Price Valuation applies:

$$(1 + P_{reset}) \times \quad (U_{t-1} + rc_{t-1}) \; ;$$

(iv) in respect of Bull Certificates that are Commodity Securities or Index Securities to which Futures Price Valuation applies:

$$(1 - P_{reset}) \times \quad (U_{t-1} + rc_{t-1}) ;$$

(v) in respect of Bear Certificate that are Currency Securities:

$$(1 + P_{reset}) \times \quad U_{t-1} \; ;\text{or}$$

(vi) in respect of Bull Certificates that are Currency Securities:

$$(\; 1 - P_{reset}) \times \quad U_{t-1} ;$$

provided that:

(x) at Calculation Time$_t$ on such Relevant Business Day the "Reset Threshold" calculated pursuant to paragraphs (iii), (iv), (v) and (vi) above will be reset and calculated as provided above except that references to "U_{t-1}" will be deemed to be references to "U_t"

and, in the case of paragraphs (iii) and (iv) above, references to "rc_{t-1}" will be deemed to be references to "rc_t"; and

(y) the Reset Threshold will be reset on the occurrence of each Reset Event and will be calculated in accordance with the Reset Threshold formula, except that:

(i) U_{t-1} is the Reset Price last calculated before the relevant Reset Event Determination Time;

(ii) $\mathrm{div}_t^{\mathrm{net}}$ or $\mathrm{div}_t^{\mathrm{gross}}$, as the case may be, is equal to (0) zero; and

(iii) rc_{t-1} is equal to (0) zero.

"**Reset Threshold Percentage**" or "$\mathbf{P_{reset}}$" means the percentage specified as such in the applicable Final Terms;

"**Rollover Costs**$_t$" or "$\boldsymbol{rc_t}$" means, in respect of a Relevant Business Day, (i) where the Relevant Business Day is not a Futures Rollover Date, zero, or (ii) where the Relevant Business Day is a Futures Rollover Date, an amount, which may be positive or negative, calculated by the Calculation Agent representing the cost to the Issuer and/or its Affiliates of unwinding its hedging arrangements in the Current Exchange-traded Contract or the relevant Futures Contract, as the case may be, less the cost to the Issuer and/or its Affiliates of establishing hedging arrangements in the next Current Exchange-traded Contract or Futures Contract, as the case may be, in each case in respect of the relevant Futures Rollover Date, such amount to be allocated *pro rata* amongst the Securities;

"**Rollover Costs**$_{t-1}$" or "$\boldsymbol{rc_{t-1}}$" means, in respect of a Relevant Business Day, (i) where the immediately preceding Relevant Business Day is not a Futures Rollover Date, zero, or (ii) where the immediately preceding Relevant Business Day is a Futures Rollover Date, an amount, which may be positive or negative, calculated by the Calculation Agent representing the cost to the Issuer and/or its Affiliates of unwinding its hedging arrangements in the Current Exchange-traded Contract or the relevant Futures Contract, as the case may be, less the cost to the Issuer and/or its Affiliates of establishing hedging arrangements in the next Current Exchange-traded Contract or Futures Contract, as the case may be, in each case in respect of the relevant Futures Rollover Date, such amount to be allocated *pro rata* amongst the Securities;

"**Settlement Currency**" means the currency specified as such in the applicable Final Terms;

"**Settlement Price**" has the meaning given it in the applicable Annex to the Terms and Conditions except that (x) in the case of Commodity Securities, references to "Pricing Date" and (y) in the case of Currency Securities, references to "Settlement Price Date", shall in each case be deemed to be references to the "Relevant Business Day";

"**Underlying Price**$_{(t)}$" or "**U**$_{(t)}$" means, in respect of a Relevant Business Day and subject as provided in Formulas Condition 1.1(hh);

(i) in respect of Index Securities, Share Securities, Commodity Securities or Currency Securities, the Settlement Price on such Relevant Business Day; or

(ii) in respect of Index Securities to which Futures Price Valuation applies, (i) if the Relevant Business Day is the Valuation Date in respect of the relevant Security, the Settlement Price on such Relevant Business Day, or (ii) if the Relevant Business Day is not the Valuation Date in respect of the relevant Security, the Settlement Price or, if First Traded Price Applicable is specified in the applicable Final Terms, the First Traded Price in each case on such Relevant Business Day;

"**Underlying Price**$_{(t-1)}$" or "**U**$_{(t-1)}$" means, in respect of a Relevant Business Day, the Underlying Price(t) for the Relevant Business Day immediately preceding such day; and

"**Unwinding Time Period**" means a period of three hours (in respect of Index Securities and Share Securities) or a period of twelve hours (in respect of Commodity Securities and Currency Securities).

"**Valuation Date**" means, the earlier to occur of:

(i) the date designated as such by the Issuer provided that such date is determined by the Issuer and notified to the Securityholders in accordance with Security Condition 8 (*Notices*) at the latest on the tenth (10th) Relevant Business Day preceding the contemplated Valuation Date;

(ii) the date specified in the applicable Final Terms as the Single Final Payout - Leverage Factor Securities Final Valuation Date; or

(iii) if Put Payout Leverage Factor Securities and/or Call Payout Leverage Factor Securities is specified as applicable in the applicable Final Terms, the relevant Optional Settlement Valuation Date specified in the applicable Final Terms,

provided, in each case, that if such date is not a Relevant Business Day, the Valuation Date will be the next following Relevant Business Day.

Subject as provided below, the Calculation Agent will calculate the Bear Certificate Value and the Bull Certificate Value on each Relevant Business Day. In order to make such calculation the Calculation Agent will also calculate the Underlying Price$_t$ on each Relevant Business Day.

If, in respect of any Relevant Business Day (including the Valuation Date), the Underlying Price$_t$ is not available before the Cut-off Time, or (x) such Relevant Business Day is a Disrupted Day (in the case of Share Securities, Currency Securities and Index Securities other than Index Securities in respect of which "Futures Price Valuation" is specified as applicable in

the applicable Final Terms), or (y) as a consequence of a Market Disruption Event (in the case of Commodity Securities), the Calculation Agent will determine the Underlying $Price_t$ for such Relevant Business Day acting in good faith and in a commercially reasonable manner by reference to such source(s) as it considers appropriate.

In the case of Index Securities in respect of which "Futures Price Valuation" is specified as applicable in the applicable Final Terms, if in respect of any Relevant Business Day (including the Valuation Date), the Underlying $Price_t$ is not available before the Cut-off Time (other than as a result of a Non-Commencement or Discontinuance of an Exchange-traded Contract), the Calculation Agent will determine the Underlying $Price_t$ for such Relevant Business Day acting in good faith and in a commercially reasonable manner by reference to such source(s) as it considers appropriate.

Notwithstanding the foregoing, if in the determination of the Calculation Agent the Observation Price of the Underlying Reference at one or more time(s) (each such time a "**Reset Event Determination Time**") during any Observation Time Period is (i) equal to or greater than the Reset Threshold (in the case of Bear Certificates) or (ii) equal to or less than the Reset Threshold (in the case of Bull Certificates) (each a "**Reset Event**"), the Calculation Agent will on each occasion calculate the Reset Price as provided in the "Reset Price" definition above and the Adjusted Bull CV or the Adjusted Bear CV, as the case may be, shall be the Bull Certificate Value or the Bear Certificate Value, as the case may be, for such Reset Event Determination Time on such Relevant Business Day. If one or more Reset Events occurs in an Observation Time Period, at Calculation $Time_t$ falling at the end of such period the Calculation Agent will calculate the Bull Certificate Value or the Bear Certificate Value, as the case may be, using the formula set out above except that:

A. FC_t is equal to (0) zero;

B. U_{t-1} is the Reset Price last calculated prior to Calculation $Time_t$;

C. in the case of Index Securities or Share Securities, div_t^{net} and div_t^{gross} will be equal to (0) zero; and

D. in the case of Commodity Securities and Index Securities to which Futures Price Valuation applies, rc_{t-1} will be equal to (0) zero.

Description of the Final Payout

The percentage change in value of the Securities over one day will be the Leverage Factor which is a constant factor for each Security multiplied by the daily performance of the relevant Underlying Reference measured as the percentage change of the reference price from one day to the next day adjusted by the applicable Financing Component (which includes a Fee, an Interest Margin and Hedging Cost and may be positive or negative depending on, amongst other things, prevailing interest rates). Bull Certificates aim to produce a performance equal to

the Leverage Factor (as specified in the applicable Final Terms) multiplied by the performance of the relevant Underlying Reference whereas Bear Certificates aim to produce a performance equal to the Leverage Factor times the inverse performance of the relevant Underlying Reference. However, because the performance of the Securities over any period longer than one day will be derived from the compounded daily performance of the relevant Underlying Reference during that period, such Security's performance may differ significantly to the overall performance of the Underlying Reference over that same period.

(ii) **Multiple Final Payout – Constant Percentage Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – Constant Percentage:

Notional Amount × Constant Percentage 1

Description of the Final Payout

The Final Payout will consist in the Notional Amount multiplied by a fixed percentage equal to the Constant Percentage 1.

(jj) **Multiple Final Payout - Normal Performance Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout - Normal Performance Securities:

Notional Amount × [Constant Percentage+Participation Factor × Final Settlement Value] ; or

Notional Amount × Max [0%; Constant Percentage+Participation Factor × Final Settlement Value]; or

Notional Amount × [Constant Percentage + Participation Factor × Max (Floor Percentage , Gearing × Final Settlement Value)] ; or

Notional Amount × [Constant Percentage + Participation Factor × Min (Floor Percentage , Gearing × Final Settlement Value)]; or

Notional Amount × {Constant Percentage + Participation Factor 1 × Min [(Cap Percentage; Participation Factor 2 × Max (Floor Percentage ; Gearing × Final Settlement Value))] }

where:

"**Participation Factor 1**" is as defined in the relevant Final Terms;

"**Participation Factor 2**" is as defined in the relevant Final Terms.

Description of the Final Payout

The Final Payout will consist in the Notional Amount multiplied by (i) a Constant Percentage or a Protection Level and (ii) a participation factor augmented of the performance of the Underlying Reference. Such performance may be subject to a floor of the Floor Percentage, a Gearing, a cap of the Cap Percentage.

(kk) **Multiple Final Payout - Performance Differential Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout - Performance Differential Securities:

Notional Amount × [Constant Percentage + Participation Factor × (Beta 1 × Final Settlement Value 1 – Beta 2 × Final Settlement Value 2)];

where:

"**Beta 1**" is as defined in the relevant Final Terms;

"**Beta 2**" is as defined in the relevant Final Terms.

Description of the Final Payout

The Final Payout consists in the differential in performance between two Underlying References and in a Constant Percentage. Such differential in performance is subject to certain participation factors.

(ll) **Multiple Final Payout – 1-Way Floor Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – 1-Way Floor Securities:

Notional Amount × [Constant Percentage 1 + Max (Constant Percentage 2 + Gearing × Option; Constant Percentage 3)]

where:

"**Option**" means Put, Put Spread, Call, Call Spread, EDS or Forward as specified in the applicable Final Terms;

"**EDS**" means Max (EDS Percentage, Min (Constant Percentage 4 – nEDS × Loss Percentage, Constant Percentage 5));

"**nEDS**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is (i) less than or equal to or (ii) less than or (iii) greater than or equal to or (iv) greater than, as specified in the applicable Final Terms, EDS Barrier Percentage;

"**EDS Percentage**" is as defined in the relevant Final Terms;

"**EDS Barrier Percentage**" is as defined in the relevant Final Terms;

"**Forward**" means Final Settlement Value – Strike Percentage;

"**Put**" means Max (Strike Percentage – Final Settlement Value; Constant Percentage 4);

"**Put Spread**" means Min (Max (Strike Percentage – Final Settlement Value; Constant Percentage 4); Spread Percentage); and

"**Spread Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Call**" means Max (Final Settlement Value - Strike Percentage; Constant Percentage 4);

"**Call Spread**" means Min (Max (Final Settlement Value - Strike Percentage; Constant Percentage 4); Spread Percentage);

provided that if Physical Delivery Option 1 is specified as applicable in the applicable Final Terms no Cash Settlement Amount, will be payable and Physical Delivery will apply.

Description of the Final Payout

The Final Payout is subject to a minimum and comprises:

- *a fixed percentage and if Option is Put, Put Spread, Call and Call Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s); or*
- *a fixed percentage and if Option is Forward, an indexation (subject to Gearing) to the value of the Underlying Reference(s); or*
- *a fixed percentage and if Option is EDS, a percentage that depends on how many Underlying Reference(s) in the basket have a value greater or lower than the EDS Barrier Percentage; subject to Gearing.*
- *Physical Delivery may also apply.*

(mm) **Multiple Final Payout – 1-Way Cap Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – 1-Way Cap Securities:

Notional Amount × [Constant Percentage 1 + Min (Constant Percentage 2 + Gearing × Option; Constant Percentage 3)]

where:

"**Option**" means Put, Put Spread, Call, Call Spread, EDS or Forward as specified in the applicable Final Terms;

"**EDS**" means Max (EDS Percentage, Min (Constant Percentage 4 – nEDS × Loss Percentage, Constant Percentage 5));

"**nEDS**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is (i) less than or equal to or (ii) less than or (iii) greater than or equal to or (iv) greater than, as specified in the applicable Final Terms, EDS Barrier Percentage;

"**EDS Percentage**" is as defined in the relevant Final Terms;

"**EDS Barrier Percentage**" is as defined in the relevant Final Terms;

"**Forward**" means Final Settlement Value – Strike Percentage;

"**Put**" means Max (Strike Percentage – Final Settlement Value; Constant Percentage 4);

"**Put Spread**" means Min (Max (Strike Percentage – Final Settlement Value; Constant Percentage 4); Spread Percentage);

"**Spread Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Call**" means Max (Final Settlement Value - Strike Percentage; Constant Percentage 4);

"**Call Spread**" means Min (Max (Final Settlement Value - Strike Percentage; Constant Percentage 4); Spread Percentage);

provided that if Physical Delivery Option 1 is specified as applicable in the applicable Final Terms no Cash Settlement Amount, will be payable and Physical Delivery will apply.

Description of the Final Payout

The Final Payout is subject to a maximum and comprises:

- *a fixed percentage and if Option is Put, Put Spread, Call and Call Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s); or*

- *a fixed percentage and if Option is Forward, an indexation (subject to Gearing) to the value of the Underlying Reference(s); or*

- *a fixed percentage and if Option is EDS, a percentage that depends on how many Underlying Reference(s) in the basket have a value greater or lower than the EDS Barrier Percentage; subject to Gearing.*

- *Physical Delivery may also apply.*

(nn) **Multiple Final Payout – 2-Way Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – 2-Way Securities:

Notional Amount × [2-Way Percentage + Participation Factor 1 × Max (Constant Percentage 1 + Gearing 1 × Option 1; Constant Percentage 2) + Participation Factor 2 × Min (Constant Percentage 3 + Gearing 2 × Option 2; Constant Percentage 4)]

where:

"**2-Way Percentage**" is as defined in the relevant Final Terms;

"**Participation Factor 1**" is as defined in the relevant Final Terms;

"**Participation Factor 2**" is as defined in the relevant Final Terms;

"**Gearing 1**" is as defined in the relevant Final Terms;

"**Gearing 2**" is as defined in the relevant Final Terms;

"**Option 1**" means Put 1, Put Spread 1, Call 1, Call Spread 1, EDS 1 or Forward 1 as specified in the applicable Final Terms;

"**Option 2**" means Put 2, Put Spread 2, Call 2, Call Spread 2, EDS 2 or Forward 2 as specified in the applicable Final Terms;

Option 1

"**EDS 1**" means Max (EDS Percentage 1, Min (Constant Percentage 5 – nEDS 1 × Loss Percentage 1, Constant Percentage 6));

"**nEDS 1**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is (i) less than or equal to or (ii) less than or (iii) greater than or equal to or (iv) greater than, as specified in the applicable Final Terms, EDS Barrier Percentage 1;

"**EDS Percentage 1**" is as defined in the relevant Final Terms;

"**EDS Barrier Percentage 1**" is as defined in the relevant Final Terms;

"**Forward 1**" means Final Settlement Value 1 – Strike Percentage 1;

"**Put 1**" means Max (Strike Percentage 1 – Final Settlement Value 1; Constant Percentage 7);

"**Put Spread 1**" means Min (Max (Strike Percentage 1 – Final Settlement Value 1; Constant Percentage 8); Spread Percentage 1);

"**Spread Percentage 1**" means the percentage specified as such in the applicable Final Terms;

"**Call 1**" means Max (Final Settlement Value 1 - Strike Percentage 1; Constant Percentage 9);

"**Call Spread 1**" means Min (Max (Final Settlement Value 1 - Strike Percentage 1; Constant Percentage 10); Spread Percentage 1);

"**Strike Percentage 1**" means the percentage specified as such in the applicable Final Terms;

Option 2

"**EDS 2**" means Max (EDS Percentage 2, Min (Constant Percentage 11 – nEDS 2 × Loss Percentage 2, Constant Percentage 12));

"**nEDS 2**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is (i) less than or equal to or (ii) less than or (iii) greater than or equal to or (iv) greater than, as specified in the applicable Final Terms, EDS Barrier Percentage 2;

"**EDS Percentage 2**" is as defined in the relevant Final Terms;

"**EDS Barrier Percentage 2**" is as defined in the relevant Final Terms;

"**Forward 2**" means Final Settlement Value 2 – Strike Percentage 2;

"**Put 2**" means Max (Strike Percentage 2 – Final Settlement Value 2; Constant Percentage 13);

"**Put Spread 2**" means Min (Max (Strike Percentage 2 – Final Settlement Value 2; Constant Percentage 14); Spread Percentage 2);

"**Spread Percentage 2**" means the percentage specified as such in the applicable Final Terms;

"**Call 2**" means Max (Final Settlement Value 2 - Strike Percentage 2; Constant Percentage 15);

"**Call Spread 2**" means Min (Max (Final Settlement Value 2 - Strike Percentage 2; Constant Percentage 16); Spread Percentage 2);

"**Strike Percentage 2**" means the percentage specified as such in the applicable Final Terms;

provided that if Physical Delivery Option 1 is specified as applicable in the applicable Final Terms, no Cash Settlement Amount, will be payable and Physical Delivery will apply.

Description of the Final Payout

The Final Payout comprises:

- *a fixed percentage and if Option is Put, Put Spread, Call and Call Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s) with a minimum and a maximum; or*

- *a fixed percentage and if Option is Forward, indexation (subject to Gearing) to the value of the Underlying Reference(s) with a minimum and a maximum; or*

- *a fixed percentage and if Option is EDS, a percentage that depends on how many Underlying Reference(s) in the basket have a value greater or lower than the EDS Barrier Percentage, with a minimum and a maximum and subject to Gearing;*

- *Physical Delivery may also apply.*

(oo) **Multiple Final Payout – Reverse Convertible Securities**

(i) **Multiple Final Payout – KI – Reverse Convertible Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – KI – Reverse Convertible Securities:

(A) if no Knock-in Event has occurred:

Notional Amount × Constant Percentage 1; or

(B) if a Knock-in Event has occurred:

Notional Amount × Max (Constant Percentage 2 + Gearing × Option; Floor Percentage)

Or

Notional Amount × Min (Constant Percentage 2 + Gearing × Option; Cap Percentage)

where:

"**Option**" means Put, Put Spread, Call, Call Spread, EDS or Forward as specified in the applicable Final Terms;

"**EDS**" means Max (EDS Percentage, Min (Constant Percentage 3 – nEDS × Loss Percentage, Constant Percentage 4));

"**EDS Percentage**" means the amount or percentage specified as such in the applicable Final Terms;

"**nEDS**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is (i) less than or equal to or (ii) less than or (iii) greater than or equal to or (iv) greater than, as specified in the applicable Final Terms, EDS Barrier Percentage;

"**Forward**" means Final Settlement Value – Strike Percentage;

"**Put**" means Max (Strike Percentage – Final Settlement Value; Constant Percentage 3);

"**Put Spread**" means Min (Max (Strike Percentage – Final Settlement Value; Constant Percentage 3); Spread Percentage);

"**Call**" means Max (Final Settlement Value - Strike Percentage; Constant Percentage 4);

"**Call Spread**" means Min (Max (Final Settlement Value - Strike Percentage; Constant Percentage 4); Spread Percentage);

"**Spread Percentage**" means the percentage specified as such in the applicable Final Terms;

provided that (aa) if the provisions of sub-paragraph (A) of this Formulas Condition 1.1 (oo)(i) apply and Physical Delivery Option 1 is specified as applicable in the applicable Final Terms or (bb) if the provisions of sub-paragraph (B) of this Formulas Condition 1.1 (oo)(i) apply and Physical Delivery Option 2 is specified as applicable in the applicable Final Terms, no Cash Settlement Amount, will be payable and Physical Delivery will apply.

Description of the Final Payout

If no Knock-in Event has occurred, the Final Payout comprises a fixed percentage equal to the Constant Percentage 1.

If a Knock-in Event has occurred, the Final Payout is subject to a minimum or a maximum and comprises:

- *if Option is Call, Call Spread, Put or Put Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s) up to the Strike Percentage;*
- *if Option is Forward, an indexation (subject to Gearing) to the value of the Underlying Reference(s); or*
- *if Option is EDS, a percentage that depends on how many Underlying Reference(s) in the basket have a value greater than the EDS Barrier Percentage, subject to Gearing. When Gearing is positive the higher the number of Underlying References with a value above this barrier the higher the percentage to be applied to the Notional Amount for determining the Final Payout.*

Physical Delivery may also apply.

(ii) **Multiple Final Payout – KI – Extended Reverse Convertible Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – KI – Extended Reverse Convertible Securities:

(A) if no Knock-in Event has occurred:

Notional Amount × Constant Percentage 1;

Or

Notional Amount × Gearing 1 × Max (Constant Percentage 2 + Gearing 2 × Option 1; Floor Percentage 1)

Or

Notional Amount × Gearing 1 × Min (Constant Percentage 2 + Gearing 2 × Option 1; Cap Percentage 1)

(B) if a Knock-in Event has occurred:

Notional Amount × Constant Percentage 3;

Or

Notional Amount × Gearing 3 × Max (Constant Percentage 4 + Gearing 4 × Option 2; Floor Percentage 2)

Or

Notional Amount × Gearing 3 × Min (Constant Percentage 4 + Gearing 4 × Option 2; Cap Percentage 3)

where:

"**Option 1**" means Put 1, Put Spread 1, Call 1, Call Spread 1, EDS 1 or Forward 1 as specified in the applicable Final Terms;

"**Option 2**" means Put 2, Put Spread 2, Call 2, Call Spread 2, EDS 2 or Forward 2 as specified in the applicable Final Terms;

Option 1

"**EDS 1**" means Max (EDS Percentage 1, Min (Constant Percentage 4 – nEDS 1 × Loss Percentage 1, Constant Percentage 5));

"**nEDS 1**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is (i) less than or equal to or (ii) less than or (iii) greater than or equal to or (iv) greater than, as specified in the applicable Final Terms, EDS Barrier Percentage 1;

"**EDS Percentage 1**" is as defined in the relevant Final Terms;

"**EDS Barrier Percentage 1**" is as defined in the relevant Final Terms;

"**Forward 1**" means Final Settlement Value 1 – Strike Percentage 1;

"**Put 1**" means Max (Strike Percentage 1 – Final Settlement Value 1; Constant Percentage 6);

"**Put Spread 1**" means Min (Max (Strike Percentage 1 – Final Settlement Value 1; Constant Percentage 7); Spread Percentage 1);

"**Spread Percentage 1**" means the percentage specified as such in the applicable Final Terms;

"**Call 1**" means Max (Final Settlement Value 1 - Strike Percentage 1; Constant Percentage 8);

"**Call Spread 1**" means Min (Max (Final Settlement Value 1 - Strike Percentage 1; Constant Percentage 9); Spread Percentage 1);

"**Strike Percentage 1**" means the percentage specified as such in the applicable Final Terms;

Option 2

"**EDS 2**" means Max (EDS Percentage 2, Min (Constant Percentage 10 – nEDS 2 × Loss Percentage 2, Constant Percentage 11));

"**nEDS 2**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is (i) less than or equal to or (ii) less than or (iii) greater than or equal to or (iv) greater than, as specified in the applicable Final Terms, EDS Barrier Percentage 2;

"**EDS Percentage 2**" is as defined in the relevant Final Terms;

"**EDS Barrier Percentage 2**" is as defined in the relevant Final Terms;

"**Forward 2**" means Final Settlement Value 2 – Strike Percentage 2;

"**Put 2**" means Max (Strike Percentage 2 – Final Settlement Value 2; Constant Percentage 12);

"**Put Spread 2**" means Min (Max (Strike Percentage 2 – Final Settlement Value 2; Constant Percentage 13); Spread Percentage 2);

"**Spread Percentage 2**" means the percentage specified as such in the applicable Final Terms;

"**Call 2**" means Max (Final Settlement Value 2 - Strike Percentage 2; Constant Percentage 14); and

"**Call Spread 2**" means Min (Max (Final Settlement Value 2 - Strike Percentage 2; Constant Percentage 15); Spread Percentage 2);

"**Strike Percentage 2**" means the percentage specified as such in the applicable Final Terms;

provided that (aa) if the provisions of sub-paragraph (A) of this Formulas Condition 1.1 (oo)(ii) apply and Physical Delivery Option 1 is specified as applicable in the applicable Final Terms or (bb) if the provisions of sub-paragraph (B) of this Formulas Condition 1.1 (oo)(ii) apply and Physical Delivery Option 2 is specified as applicable in the applicable Final Terms, no Cash Settlement Amount, will be payable and Physical Delivery will apply.

Description of the Final Payout

If no Knock-in Event has occurred, the Final Payout comprises a fixed percentage equal to the Constant Percentage 1 or, the Final Payout is subject to gearing and a minimum or a maximum and comprises:

- *if Option is Call, Call Spread, Put or Put Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s) up to the Strike Percentage;*

- *if Option is Forward, an indexation (subject to Gearing) to the value of the Underlying Reference(s); or*

- *if Option is EDS, a percentage that depends on how many Underlying Reference(s) in the basket have a value greater than the EDS Barrier Percentage, subject to Gearing. When Gearing is positive the higher the number of Underlying References with a value above this barrier the higher the percentage to be applied to the Notional Amount for determining the Final Payout.*

If no Knock-in Event has occurred, the Final Payout comprises a fixed percentage equal to the Constant Percentage 3 or, the Final Payout is subject to gearing and a minimum or a maximum and comprises:

- *if Option is Call, Call Spread, Put or Put Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s) up to the Strike Percentage;*

- *if Option is Forward, an indexation (subject to Gearing) to the value of the Underlying Reference(s); or*

- *if Option is EDS, a percentage that depends on how many Underlying Reference(s) in the basket have a value greater than the EDS Barrier Percentage, subject to Gearing. When Gearing is positive the higher the number of Underlying References with a value above this barrier the higher the percentage to be applied to the Notional Amount for determining the Final Payout.*

Physical Delivery may also apply.

(iii) **Multiple Final Payout – KO – Extended Reverse Convertible Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – KO – Extended Reverse Convertible Securities:

(A) if no Knock-out Event has occurred:

Notional Amount × Constant Percentage 1;

Or

Notional Amount × Gearing 1 × Max (Constant Percentage 2 + Gearing 2 × Option 1; Floor Percentage 1)

Or

Notional Amount × Gearing 1 × Min (Constant Percentage 2 + Gearing 2 × Option 1; Cap Percentage 1)

(B) if a Knock-out Event has occurred:

Notional Amount × Constant Percentage 3;

Or

Notional Amount × Gearing 3 × Max (Constant Percentage 4 + Gearing 4 × Option 2; Floor Percentage 2)

Or

Notional Amount × Gearing 3 × Min (Constant Percentage 4 + Gearing 4 × Option 2; Cap Percentage 2)

where:

"**Option 1**" means Put 1, Put Spread 1, Call 1, Call Spread 1, EDS 1 or Forward 1 as specified in the applicable Final Terms;

"**Option 2**" means Put 2, Put Spread 2, Call 2, Call Spread 2, EDS 2 or Forward 2 as specified in the applicable Final Terms;

Option 1

"**EDS 1**" means Max (EDS Percentage 1, Min (Constant Percentage 4 – nEDS 1 × Loss Percentage 1, Constant Percentage 5));

"**nEDS 1**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is (i) less than or equal to or (ii) less than or (iii) greater than or equal to or (iv) greater than, as specified in the applicable Final Terms, EDS Barrier Percentage 1;

"**EDS Percentage 1**" is as defined in the relevant Final Terms;

"**EDS Barrier Percentage 1**" is as defined in the relevant Final Terms;

"**Forward 1**" means Final Settlement Value 1 – Strike Percentage 1;

"**Put 1**" means Max (Strike Percentage 1 – Final Settlement Value 1; Constant Percentage 6);

"**Put Spread 1**" means Min (Max (Strike Percentage 1 – Final Settlement Value 1; Constant Percentage 7); Spread Percentage 1);

"**Spread Percentage 1**" means the percentage specified as such in the applicable Final Terms;

"**Call 1**" means Max (Final Settlement Value 1 - Strike Percentage 1; Constant Percentage 8); and

"**Call Spread 1**" means Min (Max (Final Settlement Value 1 - Strike Percentage 1; Constant Percentage 9); Spread Percentage 1);

"**Strike Percentage 1**" means the percentage specified as such in the applicable Final Terms;

Option 2

"**EDS 2**" means Max (EDS Percentage 2, Min (Constant Percentage 10 – nEDS 2 × Loss Percentage 2, Constant Percentage 11));

"**nEDS 2**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is (i) less than or equal to or (ii) less than or (iii) greater than or equal to or (iv) greater than, as specified in the applicable Final Terms, EDS Barrier Percentage 2;

"**EDS Percentage 2**" is as defined in the relevant Final Terms;

"**EDS Barrier Percentage 2**" is as defined in the relevant Final Terms;

"**Forward 2**" means Final Settlement Value 2 – Strike Percentage 2;

"**Put 2**" means Max (Strike Percentage 2 – Final Settlement Value 2; Constant Percentage 12);

"**Put Spread 2**" means Min (Max (Strike Percentage 2 – Final Settlement Value 2; Constant Percentage 13); Spread Percentage 2);

"**Spread Percentage 2**" means the percentage specified as such in the applicable Final Terms;

"**Call 2**" means Max (Final Settlement Value 2 - Strike Percentage 2; Constant Percentage 14); and

"**Call Spread 2**" means Min (Max (Final Settlement Value 2 - Strike Percentage 2; Constant Percentage 15); Spread Percentage 2);

"**Strike Percentage 2**" means the percentage specified as such in the applicable Final Terms;

provided that (aa) if the provisions of sub-paragraph (A) of this Formulas Condition 1.1 (oo)(iii) apply and Physical Delivery Option 1 is specified as applicable in the applicable Final Terms or (bb) if the provisions of sub-paragraph (B) of this Formulas Condition 1.1 (oo)(iii) apply and Physical Delivery Option 2 is specified as applicable in the applicable Final Terms no Cash Settlement Amount, will be payable and Physical Delivery will apply.

Description of the Final Payout

If no Knock-out Event has occurred, the Final Payout comprises a fixed percentage equal to the Constant Percentage 1 or, the Final Payout is subject to gearing and a minimum or a maximum and comprises:

- *if Option is Call, Call Spread, Put or Put Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s) up to the Strike Percentage;*

- *if Option is Forward, an indexation (subject to Gearing) to the value of the Underlying Reference(s); or*

- *if Option is EDS, a percentage that depends on how many Underlying Reference(s) in the basket have a value greater than the EDS Barrier Percentage, subject to Gearing. When Gearing is positive the higher the number of Underlying References with a value above this barrier the higher the percentage to be applied to the Notional Amount for determining the Final Payout.*

If no Knock-out Event has occurred, the Final Payout comprises a fixed percentage equal to the Constant Percentage 3 or, the Final Payout is subject to gearing and a minimum or a maximum and comprises:

- *if Option is Call, Call Spread, Put or Put Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s) up to the Strike Percentage;*

- *if Option is Forward, an indexation (subject to Gearing) to the value of the Underlying Reference(s); or*

- *if Option is EDS, a percentage that depends on how many Underlying Reference(s) in the basket have a value greater than the EDS Barrier Percentage, subject to Gearing. When Gearing is positive the higher the number of Underlying References with a value above this barrier the higher the percentage to be applied to the Notional Amount for determining the Final Payout.*

(iv) **Multiple Final Payout - KO Reverse Convertible Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout - KO Reverse Convertible Securities:

(A) if no Knock-out Event has occurred:

Notional Amount × Constant Percentage 1; or

(B) if a Knock-out Event has occurred:

Notional Amount × Max (Constant Percentage 2 + Gearing × Option; Floor Percentage)

Or

Notional Amount × Min (Constant Percentage 2+ Gearing × Option; Cap Percentage)

where:

"**Option**" means Put, Put Spread, Call, Call Spread, EDS or Forward as specified in the applicable Final Terms;

"**EDS**" means Max (EDS Percentage, Min (Constant Percentage 3 – nEDS × Loss Percentage, Constant Percentage 4));

"**nEDS**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is (i) less than or equal to or (ii) less than or (iii) greater than or equal to or (iv) greater than, as specified in the applicable Final Terms, EDS Barrier Percentage;

"**EDS Percentage**" means the amount or percentage specified as such in the applicable Final Terms;

"**Forward**" means Final Settlement Value – Strike Percentage;

"**Put**" means Max (Strike Percentage – Final Settlement Value; Constant Percentage 3);

"**Put Spread**" means Min (Max (Strike Percentage – Final Settlement Value; Constant Percentage 3); Spread Percentage);

"**Call**" means Max (Final Settlement Value - Strike Percentage; Constant Percentage 3);

"**Call Spread**" means Min (Max (Final Settlement Value - Strike Percentage; Constant Percentage 3); Spread Percentage);

"**Spread Percentage**" means the percentage specified as such in the applicable Final Terms;

provided that (aa) if the provisions of sub-paragraph (A) of this Formulas Condition 1.1 (oo)(iv) apply and Physical Delivery Option 1 is specified as applicable in the applicable Final Terms or (bb) if the provisions of sub-paragraph (B) of this Formulas Condition 1.1 (oo)(iv) apply and Physical Delivery Option 2 is specified as applicable in the applicable Final Terms, no Cash Settlement Amount, as applicable, will be payable and Physical Delivery will apply.

Description of the Final Payout

If no Knock-out Event has occurred, the Final Payout comprises a fixed percentage equal to the Constant Percentage 1.

If a Knock-out Event has occurred, the Final Payout is subject to a minimum and comprises:

- *if Option is Call, Call Spread, Put or Put Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s) up to the Final Settlement Value;*

- *if Option is Forward, an indexation (subject to Gearing) to the value of the Underlying Reference(s); or*

- *if Option is EDS, a percentage that depends on how many Underlying Reference(s) in the basket have a value greater than the EDS Barrier Percentage, subject to Gearing. When Gearing is positive the higher the number of Underlying References with a value above this barrier the higher the percentage to be applied to the Notional Amount for determining the Final Payout.*

Physical Delivery may also apply.

(v) **Multiple Final Payout – Vanilla KI Reverse Convertible Securities**

If the Securities are specified in the applicable Final Terms as Multiple Final Payout – Vanilla KI Reverse Convertible Securities:

(A) if no Knock-in Event has occurred:

Notional Amount × Constant Percentage 1; or

(B) if a Knock-in Event has occurred:

Notional Amount × Min (Cap Percentage, Gearing × Final Settlement Value + Constant Percentage 2);

or

Notional Amount × Max (Floor Percentage, Gearing × Final Settlement Value + Constant Percentage 2).

Description of the Final Payout

The Final Payout comprises:

- *if no Knock-in Event has occurred, a fixed percentage equal to the Constant Percentage 1; or*

- *if a Knock-in Event has occurred, (A) the minimum of (i) Cap Percentage. and (ii) indexation to the value of the Underlying Reference(s) multiplied for the relevant Gearing and increased by a fixed percentage equal to the Constant Percentage 2 or (B) the maximum of (i) Floor Percentage and (ii) indexation to the value of the Underlying Reference(s) multiplied for the relevant Gearing and increased by a fixed percentage equal to the Constant Percentage 2.*

(vi) **Multiple Final Payout – Vanilla KO Reverse Convertible Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – Vanilla KO Reverse Convertible Securities:

(A) if no Knock-out Event has occurred:

Notional Amount × Constant Percentage 1; or

(B) if a Knock-out Event has occurred:

Notional Amount × Max (Floor Percentage, Gearing × Final Settlement Value + Constant Percentage 2);

or

Notional Amount × Min (Cap Percentage, Gearing × Final Settlement Value + Constant Percentage 2).

Description of the Final Payout

The Final Payout comprises:

- *if no Knock-out Event has occurred, a fixed percentage equal to the Constant Percentage 1; or*

- *if a Knock-out Event has occurred, (A) the maximum of (i) Floor Percentage. and (ii) indexation to the value of the Underlying Reference(s) multiplied for the relevant Gearing and increased by a fixed percentage equal to the Constant Percentage 2 or (B) the minimum of (i) Cap Percentage and (ii) indexation to the value of the Underlying Reference(s) multiplied for the relevant Gearing and increased by a fixed percentage equal to the Constant Percentage 2.*

(vii) **Multiple Final Payout – KIKO Reverse Convertible Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – KIKO Reverse Convertible Securities:

(A) if a Knock-out Event has occurred:

Notional Amount × Max (Constant Percentage 1 + Gearing 1 × Option 1; Constant Percentage 2); or

Notional Amount × Min (Constant Percentage 1 + Gearing 1 × Option 1; Constant Percentage 2);

(B) if no Knock-in Event and no Knock-out Event has occurred:

Notional Amount × Constant Percentage 3; or

(C) if a Knock-in Event has occurred:

Notional Amount × Max (Constant Percentage 4 + Gearing 2 × Option 2; Constant Percentage 5); or

Notional Amount × Min (Constant Percentage 4 + Gearing 2 × Option 2; Constant Percentage 5);

where:

"**Gearing 1**" is as defined in the relevant Final Terms;

"**Gearing 2**" is as defined in the relevant Final Terms;

"**Option 1**" means Put 1, Put Spread 1, Call 1, Call Spread 1, EDS 1 or Forward 1 as specified in the applicable Final Terms;

"**Option 2**" means Put 2, Put Spread 2, Call 2, Call Spread 2, EDS 2 or Forward 2 as specified in the applicable Final Terms;

Option 1

"**EDS 1**" means Max (EDS Percentage 1, Min (Constant Percentage 6 – nEDS 1 × Loss Percentage 1, Constant Percentage 7));

"**nEDS 1**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is (i) less than or equal to or (ii) less than or (iii) greater than or equal to or (iv) greater than, as specified in the applicable Final Terms, EDS Barrier Percentage 1;

"**EDS Percentage 1**" is as defined in the relevant Final Terms;

"**EDS Barrier Percentage 1**" is as defined in the relevant Final Terms;

"**Forward 1**" means Final Settlement Value 1 – Strike Percentage 1;

"**Put 1**" means Max (Strike Percentage 1 – Final Settlement Value 1; Constant Percentage 8);

"**Put Spread 1**" means Min (Max (Strike Percentage 1 – Final Settlement Value 1; Constant Percentage 9); Spread Percentage 1);

"**Spread Percentage 1**" means the percentage specified as such in the applicable Final Terms;

"**Call 1**" means Max (Final Settlement Value 1 - Strike Percentage 1; Constant Percentage 10); and

"**Call Spread 1**" means Min (Max (Final Settlement Value 1 - Strike Percentage 1; Constant Percentage 11); Spread Percentage 1);

"**Strike Percentage 1**" means the percentage specified as such in the applicable Final Terms;

Option 2

"**EDS 2**" means Max (EDS Percentage 2, Min (Constant Percentage 12 – nEDS 2 × Loss Percentage 2, Constant Percentage 13));

"**nEDS 2**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is (i) less than or equal to or (ii) less than or (iii) greater than or equal to or (iv) greater than, as specified in the applicable Final Terms, EDS Barrier Percentage 2;

"**EDS Percentage 2**" is as defined in the relevant Final Terms;

"**EDS Barrier Percentage 2**" is as defined in the relevant Final Terms;

"**Forward 2**" means Final Settlement Value 2 – Strike Percentage 2;

"**Put 2**" means Max (Strike Percentage 2 – Final Settlement Value 2; Constant Percentage 14);

"**Put Spread 2**" means Min (Max (Strike Percentage 2 – Final Settlement Value 2; Constant Percentage 15); Spread Percentage 2);

"**Spread Percentage 2**" means the percentage specified as such in the applicable Final Terms;

"**Call 2**" means Max (Final Settlement Value 2 - Strike Percentage 2; Constant Percentage 16); and

"**Call Spread 2**" means Min (Max (Final Settlement Value 2 - Strike Percentage 2; Constant Percentage 17); Spread Percentage 2);

"**Strike Percentage 2**" means the percentage specified as such in the applicable Final Terms;

provided that (aa) if the provisions of sub-paragraph (A) of this Formulas Condition 1.1 (oo)(vii) apply and Physical Delivery Option 1 is specified as applicable in the applicable Final Terms or (bb) if the provisions of sub-paragraph (B) of this Formulas Condition 1.1 (oo)(vii) apply and Physical Delivery Option 2 is specified as applicable in the applicable Final Terms, or (cc) if the provisions of sub- paragraph (C) of this Formulas Condition 1.1. (oo) (vii) apply and Physical Delivery Option 3 is specified as applicable in the applicable Final Terms no Cash Settlement Amount, will be payable and Physical Delivery will apply.

Description of the Final Payout

If no Knock-in Event and no Knock-out Event has occurred, the Final Payout comprises a fixed percentage equal to the Constant Percentage.

If a Knock-in Event or a Knock-out Event has occurred, the Final Payout is subject to a minimum or a maximum and comprises:

- *if Option is Put, Put Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s) up to the Strike Percentage; or*
- *if Option is Call and Call Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s) up to the Final Settlement Value; or*

- *if Option is Forward, an indexation (subject to Gearing) to the value of the Underlying Reference(s); or*
- *if Option is EDS, a percentage that depends on how many Underlying Reference(s) in the basket have a value greater or lower than the EDS Barrier Percentage, subject to Gearing.*

Physical Delivery may also apply.

(pp) **Multiple Final Payout – Plain Vanilla Securities**

(i) **Multiple Final Payout – Plain Vanilla Call Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – Plain Vanilla Call Securities:

Notional Amount × [Constant Percentage 1 +
Gearing 1 × Max (Gearing 2 × (Final Settlement Value - Strike Percentage), Floor Percentage)]

Description of the Final Payout

The Final Payout comprises an amount equal to the Notional Amount multiplied by a Constant Percentage1 and indexed (subject to Gearing) to the geared value of the Underlying Reference(s) above the Strike Percentage, subject to a Floor Percentage.

(ii) **Multiple Final Payout – Plain Vanilla Call Spread Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – Plain Vanilla Call Spread Securities:

Notional Amount × { Constant Percentage 1 + Gearing 1 × Min [Max (Gearing 2 × (Final Settlement Value – Strike Percentage); Floor Percentage), Cap Percentage] }

Description of the Final Payout

The Final Payout comprises an amount equal to the Notional Amount multiplied by a Constant Percentage 1 and indexed (subject to Gearing) to the geared value of the Underlying Reference(s) above the Strike Percentage, subject to a Floor Percentage. This indexation cannot be higher than a Cap Percentage.

(iii) **Multiple Final Payout – Plain Vanilla Put Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – PlainVanilla Put Securities:

Notional Amount × [Constant Percentage 1 + Gearing 1 × Max (Gearing 2 × (Strike Percentage - Final Settlement Value); Floor Percentage)]

Description of the Final Payout

The Final Payout comprises an amount equal to the Notional Amount multiplied by Constant Percentage 1 and indexed (subject to Gearing) to the geared value of the Underlying Reference(s) below the Strike Percentage, subject to a Floor Percentage.

(iv) **Multiple Final Payout – Plain Vanilla Put Spread Securities**

If the Securities are specified in the applicable Final Terms as Multiple Final Payout – Plain Vanilla Put Spread Securities:

Notional Amount × { Constant Percentage 1 + Gearing 1 × Min [Max (Gearing 2 × (Strike Percentage – Final Settlement Value); Floor Percentage) ; Cap Percentage] }

Description of the Final Payout

The Final Payout comprises an amount equal to the Notional Amount multiplied by a Constant Percentage 1 and indexed (subject to Gearing) to the value of the Underlying Reference(s) below the Strike Percentage, subject to a Floor Percentage. This indexation cannot be higher than a Cap Percentage.

(v) **Multiple Final Payout – Plain Vanilla KI Digital Securities**

If the Securities are specified in the applicable Final Terms as Multiple Final Payout – Plain Vanilla KI Digital Securities:

(A) if a Knock-in Event has occurred:

Notional Amount × (Constant Percentage 1 + Bonus Coupon); or

(B) if no Knock-in Event has occurred:

Notional Amount × Constant Percentage 2.

Description of the Final Payout

The Final Payout comprises:

- *if a Knock-in event has occurred, a fixed percentage and a Bonus Coupon.*
- *if a Knock-in event has not occurred: a different fixed percentage.*

(vi) **Multiple Final Payout – Plain Vanilla KO Digital Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – Plain Vanilla KO Digital Securities:

(A) if a Knock-out Event has occurred:

Notional Amount × (Constant Percentage 1 + Bonus Coupon); or

(B) if no Knock-out Event has occurred:

Notional Amount × Constant Percentage 2.

Description of the Final Payout

The Final Payout comprises:

- *if a Knock-out event has occurred, a fixed percentage and a Bonus Coupon.*
- *if a Knock-out event has not occurred: a different fixed percentage.*

(vii) **Multiple Final Payout – Geared Knock-in Vanilla Call Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – Geared Knock-in Vanilla Call Securities:

(A) if a Knock-in Event has occurred:

Notional Amount × (Constant Percentage 1 + Gearing 1 × Max (Gearing 2 × (Final Settlement Value - Strike Percentage), Floor Percentage)); or

(B) if no Knock-in Event has occurred:

Notional Amount × Constant Percentage 2

Description of the Final Payout

The Final Payout comprises:

- *a fixed percentage; and*
- *if a Knock-in Event has occurred, an indexation (subject to Gearing) to the geared value of the Underlying Reference(s) above the Strike Percentage, subject to a Floor Percentage.*

(viii) **Multiple Final Payout – Geared Knock-out Vanilla Call Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – Geared Knock-out Vanilla Call Securities:

(A) if no Knock-out Event has occurred:

Notional Amount × (Constant Percentage 1 + Gearing 1 × Max (Gearing 2 × (Final Settlement Value - Strike Percentage), Floor Percentage)); or

(B) if a Knock-out Event has occurred:

Notional Amount × Constant Percentage 2

Description of the Final Payout

The Final Payout comprises:

- *a fixed percentage; and*

- *if no Knock-out Event has occurred, an indexation (subject to Gearing) to the geared value of the Underlying Reference(s) above the Strike Percentage, subject to a Floor Percentage.*

(qq) **Multiple Final Payout – Standard Asian Securities**

(i) **Multiple Final Payout – Standard Asian Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – Standard Asian Securities:

(A) If Standard Asian Call Local Cap is specified as applicable then:

Notional Amount × (Constant Percentage 1 + Gearing × Max (Sum (i = 1, 2, …, M) $W_{(i)}$ × (Min (Max (Final Settlement $Value_{(i)}$ - Strike $Percentage_{(i)}$, Local Floor $Percentage_{(i)}$) , Local Cap $Percentage_{(i)}$)) ; Floor Percentage))

(B) If Standard Asian Call Local Cap is specified as not applicable:

Notional Amount × (Constant Percentage 1 + Gearing × Max (Sum (i = 1, 2, …, M) $W_{(i)}$ × Max (Final Settlement $Value_{(i)}$ - Strike $Percentage_{(i)}$, Local Floor $Percentage_{(i)}$) ; Floor Percentage))

(C) If Standard Asian Put Local Cap is specified as applicable, then:

Notional Amount × (Constant Percentage 1 + Gearing × Max (Sum (i = 1, 2, …, M) $W_{(i)}$ × (Min (Max (Strike $Percentage_{(i)}$ - Final Settlement $Value_{(i)}$, Local Floor $Percentage_{(i)}$) , Local Cap $Percentage_{(i)}$)) ; Floor Percentage))

(D) If Standard Asian Put Local Cap is specified as not applicable:

Notional Amount × (Constant Percentage 1 + Gearing × Max (Sum (i = 1, 2, …, M) $W_{(i)}$ × Max (Strike $Percentage_{(i)}$ - Final Settlement $Value_{(i)}$, Local Floor $Percentage_{(i)}$) ; Floor Percentage))

where:

"**Final Settlement $Value_{(i)}$** " means the value from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (*Greatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms;

"**Local Floor $Percentage_{(i)}$** " as defined in the applicable Final Terms;

"**Local Cap Percentage$_{(i)}$**" is as defined in the applicable Final Terms;

"**M**" is as defined in the applicable Final Terms;

"**W$_{(i)}$**" is as defined in the applicable Final Terms;

"**Strike Percentage$_{(i)}$**" is as defined in the applicable Final Terms;

"**Standard Asian Call Local Cap**" is as defined in the applicable Final Terms;

"**Standard Asian Put Local Cap**" is as defined in the applicable Final Terms.

Description of the Final Payout

The Final Payout comprises a fixed percentage equal to Constant Percentage 1, an indexation (subject to Gearing) to the value of the Underlying Reference(s) when the average value is above or below the Strike Percentage subject to a Local Floor Percentage and, possibly, a Local Cap Percentage on each observation and a Floor Percentage.

(ii) **Multiple Final Payout – Standard Collared Asian Spread Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – Standard Collared Asian Spread Securities:

(A) If Standard Collared Asian Call Local Cap is specified as applicable then:

Notional Amount × (Constant Percentage 1 + Gearing × Min (Max (Sum (i = 1, 2, …, M) $W_{(i)}$ × (Min (Max (Final Settlement Value$_{(i)}$ - Strike Percentage$_{(i)}$, Local Floor Percentage$_{(i)}$) , Local Cap Percentage$_{(i)}$)) ; Floor Percentage)) ; Cap Percentage)

(B) If Standard Collared Asian Call Local Cap is specified as not applicable:

Notional Amount × (Constant Percentage 1 + Gearing × Min (Max (Sum (i = 1, 2, …, M) $W_{(i)}$ × Max (Final Settlement Value$_{(i)}$ - Strike Percentage$_{(i)}$, Local Floor Percentage$_{(i)}$) ; Floor Percentage)) ; Cap Percentage)

(C) If Standard Collared Asian Put Local Cap is specified as applicable then:

Notional Amount × (Constant Percentage 1 + Gearing × Min (Max (Sum (i = 1, 2, …, M) $W_{(i)}$ × (Min (Max (Strike Percentage$_{(i)}$ - Final Settlement Value$_{(i)}$, Local Floor Percentage$_{(i)}$) , Local Cap Percentage$_{(i)}$)) ; Floor Percentage)) ; Cap Percentage)

(D) If Standard Collared Asian Put Local Cap is specified as not applicable:

Notional Amount × (Constant Percentage 1 + Gearing × Min [Max (Sum (i = 1, 2, …, M) $W_{(i)}$ × Max (Strike $Percentage_{(i)}$ - Final Settlement $Value_{(i)}$, Local Floor $Percentage_{(i)}$) ; Floor Percentage)) ; Cap Percentage]

where:

"**Final Settlement $Value_{(i)}$**" means the value from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (G*reatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms;

"**Local Floor $Percentage_{(i)}$** " as defined in the applicable Final Terms;

"**Local Cap $Percentage_{(i)}$**" is as defined in the applicable Final Terms;

"**M**" is as defined in the applicable Final Terms;

"**$W_{(i)}$**" is as defined in the applicable Final Terms;

"**Strike $Percentage_{(i)}$**" is as defined in the applicable Final Terms;

"**Standard Collared Asian Call Local Cap**" is as defined in the applicable Final Terms;

"**Standard Collared Asian Put Local Cap**" is as defined in the applicable Final Terms.

Description of the Final Payout

The Final Payout comprises a fixed percentage equal to Constant Percentage 1 and an indexation (subject to Gearing) to the value of the Underlying Reference(s) when the average value is above the Strike Percentage subject to a Local Floor Percentage and, possibly, a Local Cap Percentage on each observation and a Floor Percentage and a Cap Percentage.

(rr) **Multiple Final Payout Standard Himalaya Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout Standard Himalaya Securities:

Notional Amount × (Constant Percentage 1 + Gearing × Max (Sum (i = 1, 2, …, M) $W_{(i)}$ × Max (Best Lock $Value_{(i)}$ - Strike $Percentage_{(i)}$; Local Floor $Percentage_{(i)}$) ; Floor Percentage))

where:

"**Local Floor $Percentage_{(i)}$** " is as defined in the applicable Final Terms;

"**M**" is as defined in the applicable Final Terms;

"**$W_{(i)}$**" is as defined in the applicable Final Terms; and

"**BestLockValue$_{(i)}$**" means the highest Underlying Reference Value on MFP Valuation Date$_{(i)}$ of the Underlying Reference(s) in Relevant Basket$_{(i)}$; and

"**Relevant Basket$_{(i)}$**" means, in respect of MFP Valuation Date$_{(i)}$, a Basket comprising each Underlying Reference in Relevant Basket$_{(i-1)}$ but excluding the Underlying Reference in relation to BestLockValue$_{(i-1)}$. Relevant Basket$_{(i=1)}$ will be set out in the applicable Final Terms.

"**Strike Percentage$_{(i)}$** " is as defined in the applicable Final Terms;

Description of the Final Payout

The Final Payout comprises a fixed percentage equal to Constant Percentage 1 and an indexation (subject to Gearing) to the Underlying References above the Strike Percentage in accordance with certain selection criteria on each MFP Valuation Date. In particular, the value of the best performing Underlying Reference in the basket is calculated and then removed from such basket for the following MFP Valuation Dates, therefore providing an indexation to the average of those calculated values (the BestLockValues) above the Strike Percentage. The minimum level is equal to Floor Percentage.

(ss) **Multiple Final Payout – Dispersion Securities**

If the Securities are specified in the applicable Final Terms as being Dispersion Securities:

Notional Amount × [Constant Percentage 1 + Max (Global Floor Percentage; (1/K) × Sum (k=1, 2,…,K) Dispersion Value$_{(k)}$ – Strike Percentage)]

where:

"**Dispersion Value$_{(k)}$**" means, in respect of the relevant Underlying Reference(k), the absolute value of: [Final Settlement Value$_{(k)}$ – Basket Value]

Description of the Payout

The Payout comprises indexation to the average value of the Underlying Reference(s) when the average value is above the Strike Percentage subject to a minimum level of the Global Floor Percentage.

(tt) **Multiple Final Payout - Step Securities**

(i) **Multiple Final Payout - 3-Step Knock-in Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout - 3-Step Knock-in Securities:

(A) if the Final Settlement Condition is satisfied:

Notional Amount × (Constant Percentage 1 + FS Exit Rate); or

(B) if the Final Settlement Condition is not satisfied and no Knock-in Event has occurred:

Notional Amount × (Constant Percentage 2 + Coupon Airbag Percentage)

(C) if the Final Settlement Condition is not satisfied and a Knock-in Event has occurred:

Notional Amount × Max (Constant Percentage 3 + Gearing × Option; Floor Percentage)

where:

"**Option**" means Put, Put Spread, Call, Call Spread, EDS or Forward as specified in the applicable Final Terms;

"**EDS**" means Max (Floor Percentage, Min (Constant Percentage 4 – nEDS × Loss Percentage, Constant Percentage 5));

"**Forward**" means Final Settlement Value – Strike Percentage;

"**nEDS**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is (i) less than or equal to or (ii) less than or (iii) greater than or equal to or (iv) greater than, as specified in the applicable Final Terms, EDS Barrier Percentage;

"**Call**" means Max (Final Settlement Value - Strike Percentage; Constant Percentage 4);

"**Call Spread**" means Min (Max (Final Settlement Value – Strike Percentage; Constant Percentage 4); Spread Percentage);

"**Put**" means Max (Strike Percentage – Final Settlement Value; Constant Percentage 4);

"**Put Spread**" means Min (Max (Strike Percentage – Final Settlement Value; Constant Percentage 4); Spread Percentage)

provided that (aa) if the provisions of sub-paragraph (A) of this Formulas Condition 1.1 (tt)(i) apply and Physical Delivery Option 1 is specified as applicable in the applicable Final Terms or (bb) if the provisions of sub-paragraph (B) of this Formulas Condition 1.1 (tt) (i) apply and Physical Delivery Option 2 is specified as applicable in the applicable Final Terms or (cc) if the provisions of sub-paragraph (C) of this Formulas Condition 1.1 (tt)(i) apply and Physical Delivery Option 3 is specified as applicable in the applicable Final Terms, no Cash Settlement Amount will be payable and Physical Delivery will apply.

Description of the Final Payout

The Final Payout comprises:

- *if the Final Settlement Condition is satisfied, a fixed percentage plus a final exit rate (equal to the FS Exit Rate);*
- *if the Final Settlement Condition is not satisfied and no Knock-in Event has occurred, a fixed percentage (that may differ from the above fixed percentage) plus the Coupon Airbag Percentage;*
- *if the Final Settlement Condition is not satisfied, a Knock-in Event has occurred and if Option is Call, Call Spread, Put or Put Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s) above or below the Strike Percentage, subject to a minimum; or*
- *if the Final Settlement Condition is not satisfied, a Knock-in Event has occurred and if Option is Forward, an indexation (subject to Gearing) to the value of the Underlying Reference(s), subject to a minimum; or*
- *if the Final Settlement Condition is not satisfied, a Knock-in Event has occurred and if Option is EDS, a percentage that depends on how many Underlying Reference(s) in the basket have a value greater than the EDS Barrier Percentage, subject to Gearing and a minimum. When Gearing is positive the higher the number of Underlying Reference(s) with a value above this barrier the higher the percentage to be applied to the Notional Amount for determining the Final Payout.*
- *Physical Delivery may also apply.*

(ii) **Multiple Final Payout - 3-Step Plus Knock-in Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout - 3-Step Plus Knock-in Securities:

(A) if the Final Settlement Condition is satisfied:

Notional Amount × Max (Constant Percentage 1 + Gearing 1 × Option 1; Floor Percentage)

Or

Notional Amount × Min (Constant Percentage 1 + Gearing 1 × Option 1; Cap Percentage); or

(B) if the Final Settlement Condition is not satisfied and no Knock-in Event has occurred:

Notional Amount × (Constant Percentage 2 + Coupon Airbag Percentage)

(C) if the Final Settlement Condition is not satisfied and a Knock-in Event has occurred:

Notional Amount × Max (Constant Percentage 3 + Gearing 2 × Option 2; Floor Percentage)

Or

Notional Amount × Min (Constant Percentage 3 + Gearing 2 × Option 2; Cap Percentage)

where:

"**Option 1**" means Put 1, Put Spread 1, Call 1, Call Spread 1, EDS 1 or Forward 1 as specified in the applicable Final Terms;

"**Option 2**" means Put 2, Put Spread 2, Call 2, Call Spread 2, EDS 2 or Forward 2 as specified in the applicable Final Terms;

Option 1

"**EDS 1**" means Max (EDS Percentage 1, Min (Constant Percentage 4 – nEDS 1 × Loss Percentage 1, Constant Percentage 5));

"**nEDS 1**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is (i) less than or equal to or (ii) less than or (iii) greater than or equal to or (iv) greater than, as specified in the applicable Final Terms, EDS Barrier Percentage 1;

"**EDS Percentage 1**" is as defined in the relevant Final Terms;

"**EDS Barrier Percentage 1**" is as defined in the relevant Final Terms;

"**Forward 1**" means Final Settlement Value 1 – Strike Percentage 1;

"**Put 1**" means Max (Strike Percentage 1 – Final Settlement Value 1; Constant Percentage 6);

"**Put Spread 1**" means Min (Max (Strike Percentage 1 – Final Settlement Value 1; Constant Percentage 7); Spread Percentage 1);

"**Spread Percentage 1**" means the percentage specified as such in the applicable Final Terms;

"**Call 1**" means Max (Final Settlement Value 1 - Strike Percentage 1; Constant Percentage 8); and

"**Call Spread 1**" means Min (Max (Final Settlement Value 1 - Strike Percentage 1; Constant Percentage 9); Spread Percentage 1);

"**Strike Percentage 1**" means the percentage specified as such in the applicable Final Terms;

Option 2

"**EDS 2**" means Max (EDS Percentage 2, Min (Constant Percentage 10 – nEDS 2 × Loss Percentage 2, Constant Percentage 11));

"**nEDS 2**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is (i) less than or equal to or (ii) less than or (iii) greater than or equal to or (iv) greater than, as specified in the applicable Final Terms, EDS Barrier Percentage 2;

"**EDS Percentage 2**" is as defined in the relevant Final Terms;

"**EDS Barrier Percentage 2**" is as defined in the relevant Final Terms;

"**Forward 2**" means Final Settlement Value 2 – Strike Percentage 2;

"**Put 2**" means Max (Strike Percentage 2 – Final Settlement Value 2; Constant Percentage 12);

"**Put Spread 2**" means Min (Max (Strike Percentage 2 – Final Settlement Value 2; Constant Percentage 13); Spread Percentage 2);

"**Spread Percentage 2**" means the percentage specified as such in the applicable Final Terms;

"**Call 2**" means Max (Final Settlement Value 2 - Strike Percentage 2; Constant Percentage 14); and

"**Call Spread 2**" means Min (Max (Final Settlement Value 2 - Strike Percentage 2; Constant Percentage 15); Spread Percentage 2);

"**Strike Percentage 2**" means the percentage specified as such in the applicable Final Terms;

provided that (aa) if the provisions of sub-paragraph (A) of this Formulas Condition 1.1 (tt)(ii) apply and Physical Delivery Option 1 is specified as applicable in the applicable Final Terms or (bb) if the provisions of sub-paragraph (B) of this Formulas Condition 1.1 (tt)(ii) apply and Physical Delivery Option 2 is specified as applicable in the applicable Final Terms, or (cc) if the provisions of sub- paragraph (C) of this Formulas Condition 1.1. (tt)(ii) apply and Physical Delivery Option 3 is specified as applicable in the applicable Final Terms no Cash Settlement Amount, will be payable and Physical Delivery will apply.

Description of the Final Payout

The Final Payout comprises:

- *if the Final Settlement Condition is satisfied, and if Option is Call, Call Spread, Put or Put Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s) above or below the Strike Percentage, subject to a minimum or a maximum; or*

- *if the Final Settlement Condition is satisfied, and if Option is Forward, an indexation (subject to Gearing) to the value of the Underlying Reference(s), subject to a minimum or a maximum; or*

- *if the Final Settlement Condition is satisfied, and if Option is EDS, a percentage that depends on how many Underlying Reference(s) in the basket have a value greater than the EDS Barrier Percentage, subject to Gearing and a minimum. When Gearing is positive the higher the number of Underlying Reference(s) with a value above this barrier the higher the percentage to be applied to the Notional Amount for determining the Final Payout.*

- *if the Final Settlement Condition is not satisfied and no Knock-in Event has occurred, a fixed percentage (that may differ from the above fixed percentage) plus the Coupon Airbag Percentage;*

- *if the Final Settlement Condition is not satisfied, a Knock-in Event has occurred and if Option is Call, Call Spread, Put or Put Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s) above or below the Strike Percentage, subject to a minimum or a maximum; or*

- *if the Final Settlement Condition is not satisfied, a Knock-in Event has occurred and if Option is Forward, an indexation (subject to Gearing) to the value of the Underlying Reference(s), subject to a minimum or a maximum; or*

- *if the Final Settlement Condition is not satisfied, a Knock-in Event has occurred and if Option is EDS, a percentage that depends on how many Underlying Reference(s) in the basket have a value greater than the EDS Barrier Percentage, subject to Gearing and a minimum. When Gearing is positive the higher the number of Underlying Reference(s) with a value above this barrier the higher the percentage to be applied to the Notional Amount for determining the Final Payout.*

- *Physical Delivery may also apply.*

(iii) **Multiple Final Payout - 3-Step Knock-out Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout - 3-Step Knock-out Securities:

(A) if the Final Settlement Condition is satisfied:

Notional Amount × (Constant Percentage 1 + FS Exit Rate); or

(B) if the Final Settlement Condition is not satisfied and no Knock-out Event has occurred:

Notional Amount × (Constant Percentage 2 + Coupon Airbag Percentage)

(C) if the Final Settlement Condition is not satisfied and a Knock-out Event has occurred:

Notional Amount × Max (Constant Percentage 3 + Gearing × Option; Floor Percentage)

where:

"**Option**" means Call, Call Spread, Put, Put Spread, EDS or Forward as specified in the applicable Final Terms;

"**EDS**" means Max (Cap Percentage, Min (Constant Percentage 4 – nEDS × Loss Percentage, Constant Percentage 5));

"**Forward**" means Final Settlement Value – Strike Percentage;

"**nEDS**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is (i) less than or equal to or (ii) less than or (iii) greater than or equal to or (iv) greater than, as specified in the applicable Final Terms, EDS Barrier Percentage;

"**Call**" means Max (Final Settlement Value - Strike Percentage; Constant Percentage 4);

"**Call Spread**" means Min (Max (Final Settlement Value - Strike Percentage; Constant Percentage 4); Spread Percentage),

"**Put**" means Max (Strike Percentage – Final Settlement Value; Constant Percentage 4); and

"**Put Spread**" means Min (Max (Strike Percentage – Final Settlement Value; Constant Percentage 4); Spread Percentage)

provided that (aa) if the provisions of sub-paragraph (A) of this Formulas Condition 1.1 (tt)(iii) apply and Physical Delivery Option 1 is specified as applicable in the applicable Final Terms or (bb) if the provisions of sub-paragraph (B) of this Formulas Condition 1.1 (tt)(iii) apply and Physical Delivery Option 2 is specified as applicable in the applicable Final Terms or (cc) if the provisions of sub-paragraph (C) of this Formulas Condition 1.1 (tt)(iii) apply and Physical Delivery Option 3 is specified as applicable in the applicable Final Terms, no Cash Settlement Amount will be payable and Physical Delivery will apply.

Description of the Final Payout

The Final Payout comprises:

- *if the Final Settlement Condition is satisfied, a fixed percentage plus a final exit rate (equal to the FS Exit Rate);*
- *if the Final Settlement Condition is not satisfied and no Knock-out Event has occurred, a fixed percentage (that may differ from the above fixed percentage);*
- *if the Final Settlement Condition is not satisfied, a Knock- out Event has occurred and if Option is Put, Put Spread, Call or Call Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s) below or above the Strike Percentage, subject to a minimum; or*
- *if the Final Settlement Condition is not satisfied, a Knock- out Event has occurred and if Option is Forward, an indexation (subject to Gearing) to the value of the Underlying Reference(s), subject to a minimum; or*
- *if the Final Settlement Condition is not satisfied, a Knock- out Event has occurred and if Option is EDS, a percentage that depends on how many Underlying Reference(s) in the basket have a value lower than the EDS Barrier Percentage, subject to Gearing and a minimum. When Gearing is positive the higher the number of Underlying Reference(s) with a value below this barrier the higher the percentage to be applied to the Notional Amount for determining the Final Payout.*
- *Physical Delivery may also apply.*

(iv) **Multiple Final Payout - 3-Step Plus Knock-out Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout - 3-Step Plus Knock-out Securities:

(A) if the Final Settlement Condition is satisfied:

Notional Amount × Max (Constant Percentage 1 + Gearing 1 × Option 1; Floor Percentage)

Or

Notional Amount × Min (Constant Percentage 1 + Gearing 1 × Option 1; Cap Percentage); or

(B) if the Final Settlement Condition is not satisfied and no Knock-out Event has occurred:

Notional Amount × (Constant Percentage 2 + Coupon Airbag Percentage)

(C) if the Final Settlement Condition is not satisfied and a Knock-out Event has occurred:

Notional Amount × Max (Constant Percentage 3 + Gearing 2 × Option 2; Floor Percentage)

Or

Notional Amount × Min (Constant Percentage 3 + Gearing 2 × Option 2; Cap Percentage)

where:

"**Option 1**" means Put 1, Put Spread 1, Call 1, Call Spread 1, EDS 1 or Forward 1 as specified in the applicable Final Terms;

"**Option 2**" means Put 2, Put Spread 2, Call 2, Call Spread 2, EDS 2 or Forward 2 as specified in the applicable Final Terms;

Option 1

"**EDS 1**" means Max (EDS Percentage 1, Min (Constant Percentage 4 – nEDS 1 × Loss Percentage 1, Constant Percentage 5));

"**nEDS 1**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is (i) less than or equal to or (ii) less than or (iii) greater than or equal to or (iv) greater than, as specified in the applicable Final Terms, EDS Barrier Percentage 1;

"**EDS Percentage 1**" is as defined in the relevant Final Terms;

"**EDS Barrier Percentage 1**" is as defined in the relevant Final Terms;

"**Forward 1**" means Final Settlement Value 1 – Strike Percentage 1;

"**Put 1**" means Max (Strike Percentage 1 – Final Settlement Value 1; Constant Percentage 6);

"**Put Spread 1**" means Min (Max (Strike Percentage 1 – Final Settlement Value 1; Constant Percentage 7); Spread Percentage 1);

"**Spread Percentage 1**" means the percentage specified as such in the applicable Final Terms;

"**Call 1**" means Max (Final Settlement Value 1 - Strike Percentage 1; Constant Percentage 8); and

"**Call Spread 1**" means Min (Max (Final Settlement Value 1 - Strike Percentage 1; Constant Percentage 9); Spread Percentage 1);

"**Strike Percentage 1**" means the percentage specified as such in the applicable Final Terms;

Option 2

"**EDS 2**" means Max (EDS Percentage 2, Min (Constant Percentage 10 – nEDS 2 × Loss Percentage 2, Constant Percentage 11));

"**nEDS 2**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is (i) less than or equal to or (ii) less than or (iii) greater than or equal to or (iv) greater than, as specified in the applicable Final Terms, EDS Barrier Percentage 2;

"**EDS Percentage 2**" is as defined in the relevant Final Terms;

"**EDS Barrier Percentage 2**" is as defined in the relevant Final Terms;

"**Forward 2**" means Final Settlement Value 2 – Strike Percentage 2;

"**Put 2**" means Max (Strike Percentage 2 – Final Settlement Value 2; Constant Percentage 12);

"**Put Spread 2**" means Min (Max (Strike Percentage 2 – Final Settlement Value 2; Constant Percentage 13); Spread Percentage 2);

"**Spread Percentage 2**" means the percentage specified as such in the applicable Final Terms;

"**Call 2**" means Max (Final Settlement Value 2 - Strike Percentage 2; Constant Percentage 14); and

"**Call Spread 2**" means Min (Max (Final Settlement Value 2 - Strike Percentage 2; Constant Percentage 15); Spread Percentage 2);

"**Strike Percentage 2**" means the percentage specified as such in the applicable Final Terms;

provided that (aa) if the provisions of sub-paragraph (A) of this Formulas Condition 1.1 (tt)(iv) apply and Physical Delivery Option 1 is specified as applicable in the applicable Final Terms or (bb) if the provisions of sub-paragraph (B) of this Formulas Condition 1.1 (tt)(iv) apply and Physical Delivery Option 2 is specified as applicable in the applicable Final Terms, or (cc) if the provisions of sub- paragraph (C) of this Formulas Condition 1.1. (tt)(iv) apply and Physical Delivery Option 3 is specified as applicable in the applicable Final Terms no Cash Settlement Amount, will be payable and Physical Delivery will apply.

Description of the Final Payout

The Final Payout comprises:

- *if the Final Settlement Condition is satisfied, and if Option is Call, Call Spread, Put or Put Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s) above or below the Strike Percentage, subject to a minimum or a maximum; or*
- *if the Final Settlement Condition is satisfied, and if Option is Forward, an indexation (subject to Gearing) to the value of the Underlying Reference(s), subject to a minimum or a maximum; or*
- *if the Final Settlement Condition is satisfied, and if Option is EDS, a percentage that depends on how many Underlying Reference(s) in the basket have a value greater than the EDS Barrier*

Percentage, subject to Gearing and a minimum. When Gearing is positive the higher the number of Underlying Reference(s) with a value above this barrier the higher the percentage to be applied to the Notional Amount for determining the Final Payout.

- *if the Final Settlement Condition is not satisfied and no Knock-out Event has occurred, a fixed percentage (that may differ from the above fixed percentage) plus the Coupon Airbag Percentage;*

- *if the Final Settlement Condition is not satisfied, a Knock-out Event has occurred and if Option is Call, Call Spread, Put or Put Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s) above or below the Strike Percentage, subject to a minimum or a maximum; or*

- *if the Final Settlement Condition is not satisfied, a Knock-out Event has occurred and if Option is Forward, an indexation (subject to Gearing) to the value of the Underlying Reference(s), subject to a minimum or a maximum; or*

- *if the Final Settlement Condition is not satisfied, a Knock-out Event has occurred and if Option is EDS, a percentage that depends on how many Underlying Reference(s) in the basket have a value greater than the EDS Barrier Percentage, subject to Gearing and a minimum. When Gearing is positive the higher the number of Underlying Reference(s) with a value above this barrier the higher the percentage to be applied to the Notional Amount for determining the Final Payout.*

- *Physical Delivery may also apply.*

(v) **Multiple Final Payout – 4-Step Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – 4 Step Securities:

(A) if the Final Settlement Condition is satisfied:

Notional Amount × (Constant Percentage 1+ FS Exit Rate)

(B) if the Final Settlement Condition is not satisfied, a Knock-out Event has occurred and no Knock-In Event has occurred:

Notional Amount × (Constant Percentage 2 + Coupon Airbag Percentage 1); or

(C) if the Final Settlement Condition is not satisfied, no Knock-out Event has occurred and no Knock-in Event has occurred:

Notional Amount × (Constant Percentage 3 + Coupon Airbag Percentage 2); or

(D) if the Final Settlement Condition is not satisfied and if no Knock-out Event has occurred but a Knock-in Event has occurred:

Notional Amount × Max (Constant Percentage 4 + Gearing × Option; Floor Percentage)

where:

"**Option**" means Put, Put Spread, Call, Call Spread or Forward as specified in the applicable Final Terms;

"**Forward**" means Final Settlement Value – Strike Percentage;

"**Call**" means Max (Final Settlement Value - Strike Percentage; Constant Percentage 5); and

"**Call Spread**" means Min (Max (Final Settlement Value - Strike Percentage; Constant Percentage 5); Spread Percentage),

"**Put**" means Max (Strike Percentage – Final Settlement Value; Constant Percentage 5); and

"**Put Spread**" means Min (Max (Strike Percentage – Final Settlement Value; Constant Percentage 5); Cap Percentage).

Description of the Final Payout

The Final Payout comprises:

- *if the Final Settlement Condition is satisfied, a fixed percentage plus a final exit rate (equal to the FS Exit Rate);*

- *if the Final Settlement Condition is not satisfied, a Knock-out Event has occurred and no Knock-in Event has occurred a fixed percentage (that may differ from the above fixed percentage);*

- *if the Final Settlement Condition is not satisfied and no Knock-out Event and no Knock-in Event has occurred, a fixed percentage (that may differ from the above fixed percentages); or*

- *if the Final Settlement Condition is not satisfied and no Knock-out Event has occurred but a Knock-in Event has occurred, if Option is Call, Call Spread, Put or Put Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s) above or below the Strike Percentage, subject to a minimum; or if Option is Forward, an indexation (subject to Gearing) to the value of the Underlying Reference(s) , subject to a minimum.*

(vi) **Multiple Final Payout - Standard 3-Step Knock-in Securities**

If the Securities are specified in the applicable Final Terms as Multiple Final Payout – Standard 3 Step Knock-in Securities

(A) If FS Barrier Value is greater than the Final Settlement Condition Level:

Notional Amount × (Fixed Percentage 1 + FS Exit Rate); or

(B) If FS Barrier Value is less than or equal to the Final Settlement Condition Level and no Knock-in Event has occurred:

Notional Amount × (Fixed Percentage 2 + Coupon Airbag Percentage); or

(C) If FS Barrier Value is less than or equal to the Final Settlement Condition Level and a Knock-in Event has occurred:

Notional Amount × Min (Fixed Percentage 3, Gearing × Final Settlement Value)

where:

"**Fixed Percentage 1**" is as defined in the applicable Final Terms;

"**Fixed Percentage 2**" is as defined in the applicable Final Terms;

"**Fixed Percentage 3**" is as defined in the applicable Final Terms.

Description of the Final Payout

The Final Payout comprises:

- *if the FS Barrier Value on the MFP FS Barrier Valuation Date is greater than the Final Settlement Condition Level, Fixed Percentage 1 plus a final exit rate (equal to the FS Exit Rate);*
- *if the FS Barrier Value on the MFP FS Barrier Valuation Date is equal to or less than the Final Settlement Condition Level and no Knock-in Event has occurred, Fixed Percentage 2 plus a fixed percentage; or*
- *if the FS Barrier Value on the MFP FS Barrier Valuation Date is equal to or less than the Final Settlement Condition Level and a Knock-in Event has occurred, the minimum of a Fixed Percentage 3 and indexation (subject to Gearing) to the value of the Underlying Reference(s).*

(vii) **Multiple Final Payout - Standard 3-Step Knock-out Securities**

If the Securities are specified in the applicable Final Terms as Multiple Final Payout - Standard 3-Step Knock-out Securities:

(A) If FS Barrier Value is lower than the Final Settlement Condition Level:

Notional Amount × (Fixed Percentage 1 + FS Exit Rate); or

(B) If FS Barrier Value is greater than or equal to the Final Settlement Condition Level and no Knock-out Event has occurred:

Notional Amount × (Fixed Percentage 2 + Coupon Airbag Percentage); or

(C) If FS Barrier Value is greater than or equal to the Final Settlement Condition Level and a Knock-out Event has occurred:

Notional Amount × Min (Fixed Percentage 3, Gearing × Final Settlement Value)

where:

"**Fixed Percentage 1**" is as defined in the applicable Final Terms;

"**Fixed Percentage 2**" is as defined in the applicable Final Terms;

"**Fixed Percentage 3**" is as defined in the applicable Final Terms.

Description of the Final Payout

The Final Payout comprises:

- *if the FS Barrier Value on the MFP FS Barrier Valuation Date is lower than the Final Settlement Condition Level, a Fixed Percentage 1 plus a final exit rate (equal to the FS Exit Rate);*
- *if the FS Barrier Value on the MFP FS Barrier Valuation Date is equal to or greater than the Final Settlement Condition Level and no Knock-out Event has occurred, a Fixed Percentage 2 plus a fixed percentage; or*
- *if the FS Barrier Value on the MFP FS Barrier Valuation Date is equal to or greater than the Final Settlement Condition Level and a Knock-out Event has occurred, the minimum of a Fixed Percentage 3 and indexation (subject to Gearing) to the value of the Underlying Reference(s).*

(viii) **Multiple Final Payout - Standard 2-Step Barrier Down Securities**

If the Securities are specified in the applicable Final Terms as Multiple Final Payout - Standard 2-Step Barrier Down Securities:

(A) If FS Barrier Value is greater than the Final Settlement Condition Level:

Notional Amount × (Fixed Percentage 1 + FS Exit Rate); or

(B) If FS Barrier Value is less than or equal to the Final Settlement Condition Level:

Notional Amount × Min (Fixed Percentage 2, Final Settlement Value)

where:

"**Fixed Percentage 1**" is as defined in the applicable Final Terms;

"**Fixed Percentage 2**" is as defined in the applicable Final Terms.

Description of the Final Payout

The Final Payout comprises:

- *if the FS Barrier Value on the MFP FS Barrier Valuation Date is greater than the Final Settlement Condition Level, Fixed Percentage 1 plus a final exit rate (equal to the FS Exit Rate);*

- *if the FS Barrier Value on the MFP FS Barrier Valuation Date is equal to or less than the Final Settlement Condition Level, the minimum of Fixed Percentage 2 and indexation to the value of the Underlying Reference(s).*

(ix) **Multiple Final Payout - Standard 2-Step Barrier Up Securities**

If the Securities are specified in the applicable Final Terms as Multiple Final Payout - Standard 2-Step Barrier Up Securities:

(A) If FS Barrier Value is less than the Final Settlement Condition Level:

Notional Amount × (Fixed Percentage 1 + FS Exit Rate); or

(B) If FS Barrier Value is greater than or equal to the Final Settlement Condition Level:

Notional Amount × Min (Fixed Percentage 2, Final Settlement Value)

where*:*

"**Fixed Percentage 1**" is as defined in the applicable Final Terms;

"**Fixed Percentage 2**" is as defined in the applicable Final Terms.

Description of the Final Payout

The Final Payout comprises:

- *if the FS Barrier Value on the MFP FS Barrier Valuation Date is less than the Final Settlement Condition Level, Fixed Percentage 1 plus a final exit rate (equal to the FS Exit Rate);*

- *if the FS Barrier Value on the MFP FS Barrier Valuation Date is equal to or greater than the Final Settlement Condition Level, the minimum of Fixed Percentage 2 and indexation to the value of the Underlying Reference(s).*

(x) **Multiple Final Payout - 2-Step Knock-in Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout - 2-Step Knock-in Securities:

(A) if the Knock-in Event has not occurred:

Notional Amount × (Constant Percentage 1 + FS Exit Rate); or

(B) if a Knock-in Event has occurred:

Notional Amount × Max (Constant Percentage 2 + Gearing × Option; Floor Percentage)

where:

"**Option**" means Put, Put Spread, Call, Call Spread, EDS or Forward as specified in the applicable Final Terms;

"**EDS**" means Max (Floor Percentage, Min (Constant Percentage 3 – nEDS × Loss Percentage, Constant Percentage 4));

"**Forward**" means Final Settlement Value – Strike Percentage;

"**nEDS**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is (i) less than or equal to or (ii) less than or (iii) greater than or equal to or (iv) greater than, as specified in the applicable Final Terms, EDS Barrier Percentage;

"**Call**" means Max (Final Settlement Value - Strike Percentage; Constant Percentage 3);

"**Call Spread**" means Min (Max (Final Settlement Value – Strike Percentage; Constant Percentage 3); Spread Percentage);

"**Put**" means Max (Strike Percentage – Final Settlement Value; Constant Percentage 3); and

"**Put Spread**" means Min (Max (Strike Percentage – Final Settlement Value; Constant Percentage 3); Spread Percentage)

provided that (aa) if the provisions of sub-paragraph (A) of this Formulas Condition 1.1 (tt)(x) apply and Physical Delivery Option 1 is specified as applicable in the applicable Final Terms or (bb) if the provisions of sub-paragraph (B) of this Formulas Condition 1.1 (tt)(x) apply and Physical Delivery Option 2 is specified as applicable in the applicable Final Terms, no Cash Settlement Amount will be payable and Physical Delivery will apply.

Description of the Final Payout

The Final Payout comprises:

- *if a Knock-in Event has not occurred, a fixed percentage plus a final exit rate (equal to the FS Exit Rate);*
- *if a Knock-in Event has occurred and Option is Call, Call Spread, Put or Put Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s) above or below the Strike Percentage, subject to a minimum; or*
- *if a Knock-in Event has occurred and Option is Forward, an indexation (subject to Gearing) to the value of the Underlying Reference(s), subject to a minimum; or*
- *if a Knock-in Event has occurred and Option is EDS, a percentage that depends on how many Underlying Reference(s) in the basket have a value greater than the EDS Barrier Percentage. When Gearing is positive the higher the number of Underlying Reference(s) with a value above this barrier the higher the percentage to be applied to the Notional Amount for determining the Final Payout, subject to Gearing and a minimum.*
- *Physical Delivery may also apply.*

(xi) **Multiple Final Payout - 2-Step Knock-out Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout - 2-Step Knock-out Securities:

(A) if the Knock-out Event has not occurred:

Notional Amount × (Constant Percentage 1 + FS Exit Rate); or

(B) if a Knock-out Event has occurred:

Notional Amount × Max (Constant Percentage 2 + Gearing × Option; Floor Percentage)

where:

"**Option**" means Put, Put Spread, Call, Call Spread, EDS or Forward as specified in the applicable Final Terms;

"**EDS**" means Max (Floor Percentage, Min (Constant Percentage 3 – nEDS × Loss Percentage, Constant Percentage 4));

"**Forward**" means Final Settlement Value – Strike Percentage;

"**nEDS**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is (i) less than or equal to or (ii) less than or (iii)

greater than or equal to or (iv) greater than, as specified in the applicable Final Terms, EDS Barrier Percentage;

"**Call**" means Max (Final Settlement Value - Strike Percentage; Constant Percentage 3);

"**Call Spread**" means Min (Max (Final Settlement Value – Strike Percentage; Constant Percentage 3); Spread Percentage);

"**Put**" means Max (Strike Percentage – Final Settlement Value; Constant Percentage 3);

"**Put Spread**" means Min (Max (Strike Percentage – Final Settlement Value; Constant Percentage 3); Spread Percentage)

provided that (aa) if the provisions of sub-paragraph (A) of this Formulas Condition 1.1 (tt)(xi) apply and Physical Delivery Option 1 is specified as applicable in the applicable Final Terms or (bb) if the provisions of sub-paragraph (B) of this Formulas Condition 1.1 (tt)(xi) apply and Physical Delivery Option 2 is specified as applicable in the applicable Final Terms, no Cash Settlement Amount will be payable and Physical Delivery will apply.

Description of the Final Payout

The Final Payout comprises:

- *if a Knock-out Event has not occurred, a fixed percentage plus a final exit rate (equal to the FS Exit Rate);*
- *if a Knock-out Event has occurred and Option is Call, Call Spread, Put or Put Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s) above or below the Strike Percentage, subject to a minimum; or*
- *if a Knock-out Event has occurred and Option is Forward, an indexation (subject to Gearing) to the value of the Underlying Reference(s), subject to a minimum; or*
- *if a Knock-out Event has occurred and Option is EDS, a percentage that depends on how many Underlying Reference(s) in the basket have a value greater than the EDS Barrier Percentage, subject to Gearing and a minimum. When Gearing is positive the higher the number of Underlying Reference(s) with a value above this barrier the higher the percentage to be applied to the Notional Amount for determining the Final Payout.*
- *Physical Delivery may also apply.*

(uu) **Multiple Final Payout - Performance Securities**

(i) **Multiple Final Payout - Geared Call Performance Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout - Geared Call Performance Securities

i. if Cap is specified as not applicable in the applicable Final Terms:

Notional Amount × {Constant Percentage 1 + [Final Settlement Value + Additional Gearing × Max (Final Settlement Value - Strike Percentage, Floor Percentage)]}

ii. if Cap is specified as applicable in the applicable Final Terms:

Notional Amount × {Constant Percentage 1 + Min [Final Settlement Value + Additional Gearing × Max (Final Settlement Value - Strike Percentage, Floor Percentage), Cap Percentage]}

Description of the Final Payout

- *If Cap is specified as not applicable, the Final Payout comprises an indexation to the value of the Underlying Reference(s) and an additional indexation (subject to Gearing) to the value of the Underlying Reference(s) above the Strike Percentage. (subject to a minimum of the Floor Percentage)*

- *If Cap is specified as applicable, the Final Payout provides a limited maximum upside and comprises an indexation to the value of the Underlying Reference(s) and an additional indexation (subject to Gearing) to the value of the Underlying Reference(s) above the Strike Percentage (subject to a minimum of the Floor Percentage), subject to a cap of the Cap Percentage.*

(ii) **Multiple Final Payout - Multi Performance Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout - Multi Performance Securities:

i. if Cap and Floor are specified as not applicable in the applicable Final Terms:

Notional Amount × { Fixed Percentage + [Sum (n = 1, 2, …, N) $W_{(n)}$ × (Constant $\text{Percentage}_{(n)}$ + $\text{Gearing}_{(n)}$ × $\text{Option}_{(n)}$)] }

ii. if Cap is specified as applicable and Floor is specified as not applicable in the applicable Final Terms:

Notional Amount × { Fixed Percentage + Min [Sum (n = 1, 2, …, N) $W_{(n)}$ × (Constant $\text{Percentage}_{(n)}$ + $\text{Gearing}_{(n)}$ × $\text{Option}_{(n)}$) , Global Cap] }

iii. if Cap is specified as not applicable and Floor is specified as applicable in the applicable Final Terms:

Notional Amount × { Fixed Percentage + Max [Sum (n = 1, 2, …, N) $W_{(n)}$ × (Constant $\text{Percentage}_{(n)}$ + $\text{Gearing}_{(n)}$ × $\text{Option}_{(n)}$) , Global Floor] }

iv. if Cap and Floor are specified as applicable in the applicable Final Terms:

Notional Amount × { Fixed Percentage + Min [Max [Sum (n = 1, 2, …, N) $W_{(n)}$ × (Constant $Percentage_{(n)}$ + $Gearing_{(n)}$ × $Option_{(n)}$) , Global Floor] , Global Cap] }

where:

"**Constant $Percentage_n$**" means the percentage specified as such in the applicable Final Terms;

"**$Gearing_n$**" is as defined in the applicable Final Terms;

"**Generic $Percentage_{(n,1)}$** " is as defined in the applicable Final Terms;

"**Generic $Percentage_{(n,2)}$** " is as defined in the applicable Final Terms;

"**Floor $Percentage_{(n)}$** " is as defined in the applicable Final Terms;

"**Loss $Percentage_{(n)}$** " is as defined in the applicable Final Terms;

"**Final Settlement $Value_{(n)}$** " means the value from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (G*reatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts)*, 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms;

"**Strike $Percentage_{(n)}$**" is as defined in the applicable Final Terms;

"**Spread $Percentage_{(n)}$**" is as defined in the applicable Final Terms;

"**$W_{(n)}$**" is as defined in the applicable Final Terms;

"**n**" is as defined in the applicable Final Terms;

"**Global Cap**" is as defined in the applicable Final Terms;

"**Global Floor**" is as defined in the applicable Final Terms;

"**$Option_n$**" means $Put_{(n)}$, Put $Spread_{(n)}$, $Call_{(n)}$, Call $Spread_{(n)}$, $EDS_{(n)}$ or $Forward_{(n)}$ as specified in the applicable Final Terms;

"**$EDS_{(n)}$**" means Max (Floor $Percentage_{(n)}$, Min (Generic $Percentage_{(n,1)}$ – $nEDS_{(n)}$ × Loss $Percentage_{(n)}$, Generic Percentage $_{(n,2)}$));

"**$Forward_{(n)}$**" means Final Settlement $Value_{(n)}$ – Strike $Percentage_{(n)}$;

"**nEDS$_{(n)}$**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is (i) less than or equal to or (ii) less than or (iii) greater than or equal to or (iv) greater than, as specified in the applicable Final Terms, EDS Barrier Percentage$_{(n)}$;

"**EDS Barrier Percentage$_{(n)}$**" is as defined in the applicable Final Terms;

"**Call$_{(n)}$**" means Max (Final Settlement Value$_{(n)}$ - Strike Percentage$_{(n)}$; Generic Percentage$_{(n,1)}$);

"**Call Spread$_{(n)}$**" means Min (Max (Final Settlement Value$_{(n)}$ – Strike Percentage$_{(n)}$; Generic Percentage$_{(n,1)}$); Spread Percentage$_{(n)}$);

"**Put$_{(n)}$**" means Max (Strike Percentage$_{(n)}$ – Final Settlement Value$_{(n)}$; Generic Percentage$_{(n,1)}$);

"**Put Spread$_{(n)}$**" means Min (Max (Strike Percentage$_{(n)}$ – Final Settlement Value$_{(n)}$; Generic Percentage$_{(n,1)}$); Spread Percentage$_{(n)}$).

Description of the Final Payout

The Final Payout comprises:

- *a fixed percentage and if Option is Forward, Call, Call Spread, Put or Put Spread the weighted sum of a constant percentage and an indexation (subject to Gearing) to the Underlying Reference(s) above or below the Strike Percentage; or*
- *a fixed percentage and Option is EDS, the weighted sum of a constant percentage and a percentage that depends on how many Underlying Reference(s) in the basket(s) have a value greater than the EDS Barrier Percentage, subject to Gearing. When Gearing is positive the higher the number of Underlying Reference(s) with a value above this barrier the higher the percentage to be applied to the Notional Amount for determining the Final Payout.*
- *The Final Payout may be subject to a Global Cap and/or Global Floor.*
- *Physical Delivery may also apply.*

(iii) **Multiple Final Payout – (Capped) Multi Knock-Out Bonus Performance Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – (Capped) Knock- Out Bonus Performance Securities:

(A) if Cap is specified as not applicable in the applicable Final Terms:

(x) if a Knock-out Event has occurred:

Notional Amount × (Constant Percentage 1 + Final Settlement Value 1); or

(y) if no Knock-out Event has occurred:

Notional Amount × (Constant Percentage 1 + Max (Bonus Percentage, Final Settlement Value 2))

(B) if Cap is specified as applicable in the applicable Final Terms:

(x) if a Knock-out Event has occurred:

Notional Amount × [Constant Percentage 1 + Final Settlement Value 1 –

Max (Final Settlement Value 2 - Cap Percentage 1, Floor Percentage)]; or

(y) if no Knock-out Event has occurred:

Notional Amount × [Constant Percentage 1 + Max (Bonus Percentage, Final Settlement Value 3) – Max (Final Settlement Value 4 - Cap Percentage 2, Floor Percentage)]

Description of the Final Payout

If Cap is specified as not applicable the Final Payout comprises:

- *if no Knock-out Event has occurred, a minimum percentage and indexation to the value of the Underlying Reference(s) above the Bonus Percentage; or*
- *if a Knock-out Event has occurred, a minimum percentage and an indexation to the value of the Underlying Reference(s) (this value may differ from the above value).*

If Cap is specified as applicable the Final Payout provides limited maximum upside and comprises:

- *if no Knock-out Event has occurred, a minimum percentage and indexation to the value of the Underlying Reference(s) above the Bonus Percentage, up to a maximum level and subject to a minimum level; or*
- *if a Knock-out Event has occurred, a minimum percentage and an indexation to the value of the Underlying Reference(s) (this value may differ from the above value), up to a maximum level and subject to a minimum level.*

(iv) **Multiple Final Payout – (Capped) Multi Knock-In Bonus Performance Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – (Capped) Knock-In Bonus Performance Securities:

(A) if Cap is specified as not applicable in the applicable Final Terms:

(x) if a Knock-in Event has occurred:

Notional Amount × (Constant Percentage 1 + Final Settlement Value 1); or

(y) if no Knock-in Event has occurred:

Notional Amount × (Constant Percentage 1 + Max (Bonus Percentage, Final Settlement Value 2)).

(B) if Cap is specified as applicable in the applicable Final Terms:

(x) if a Knock-in Event has occurred:

Notional Amount × [Constant Percentage 1 + Final Settlement Value 1 - Max (Final Settlement Value 2 - Cap Percentage 1, Floor Percentage 1)]; or

(y) if no Knock-in Event has occurred:

Notional Amount × [Constant Percentage 1 + Max (Bonus Percentage, Final Settlement Value 3) - Max (Final Settlement Value 4 - Cap Percentage 2, Floor Percentage 2)]

Description of the Final Payout

If Cap is specified as not applicable the Final Payout comprises:

- *if no Knock-in Event has occurred, a minimum percentage and indexation to the value of the Underlying Reference(s) above the Bonus Percentage; or*
- *if a Knock-in Event has occurred, a minimum percentage and an indexation to the value of the Underlying Reference(s) (this value may differ from the above value).*

If Cap is specified as applicable the Final Payout provides limited maximum upside and comprises:

- *if no Knock-in Event has occurred, a minimum percentage and indexation to the value of the Underlying Reference(s) above the Bonus Percentage, up to a maximum level and subject to a minimum level; or*
- *if a Knock-in Event has occurred, a minimum percentage and an indexation to the value of the Underlying Reference(s) (this value may differ from the above value), up to a maximum level and subject to a minimum level.*

(v) **Multiple Final Payout – 2-Step KI Multi Bonus Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – 2-Step KI Multi Bonus Securities:

(A) if the Knock-in Event has not occurred:

Notional Amount × Gearing 1 × (Constant Percentage 1 + Bonus Percentage 1 + Gearing 2 × Option – Bonus Percentage 2); or

(B) if a Knock-in Event has occurred:

Notional Amount × Gearing 3 × Max (Constant Percentage 2 + Gearing 4 × Option; Floor Percentage)

"**Option**" means Put, Put Spread, Call, Call Spread, EDS or Forward as specified in the applicable Final Terms;

"**EDS**" means Max (Floor Percentage, Min (Constant Percentage 3 – nEDS × Loss Percentage, Constant Percentage 4));

"**Forward**" means Final Settlement Value – Strike Percentage;

"**nEDS**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is (i) less than or equal to or (ii) less than or (iii) greater than or equal to or (iv) greater than, as specified in the applicable Final Terms, EDS Barrier Percentage;

"**Call**" means Max (Final Settlement Value - Strike Percentage; Constant Percentage 3);

"**Call Spread**" means Min (Max (Final Settlement Value – Strike Percentage; Constant Percentage 3); Spread Percentage);

"**Put**" means Max (Strike Percentage – Final Settlement Value; Constant Percentage 3); and

"**Put Spread**" means Min (Max (Strike Percentage – Final Settlement Value; Constant Percentage 3); Spread Percentage),

provided that (aa) if the provisions of sub-paragraph (A) of this Formulas Condition 1.1 (uu)(v) apply and Physical Delivery Option 1 is specified as applicable in the applicable Final Terms or (bb) if the provisions of sub-paragraph (B) of this Formulas Condition 1.1 (uu)(v) apply and Physical Delivery Option 2 is specified as applicable in the applicable Final Terms, no Cash Settlement Amount will be payable and Physical Delivery will apply.

Description of the Final Payout

The Final Payout comprises:

- *If a Knock-in Event has not occurred:*

  i. if Option is Put, Put Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s) up to the Strike Percentage; or

  ii. if Option is Call and Call Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s) up to the Final Settlement Value; or

  iii. if Option is Forward, an indexation (subject to Gearing) to the value of the Underlying Reference(s); or

  iv. if Option is EDS, a percentage that depends on how many Underlying Reference(s) in the basket have a value greater or lower than the EDS Barrier Percentage, subject to Gearing.

- *If a Knock-in Event has occurred:*

  i. if Option is Put, Put Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s) up to the Strike Percentage; or

  ii. if Option is Call and Call Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s) up to the Final Settlement Value; or

  iii. if Option is Forward, an indexation (subject to Gearing) to the value of the Underlying Reference(s); or

  iv. if Option is EDS, a percentage that depends on how many Underlying Reference(s) in the basket have a value greater or lower than the EDS Barrier Percentage, subject to Gearing.

  All of the above (i) to (iv) are subject to a Floor.

- *Physical Delivery may also apply.*

(vi) **Multiple Final Payout – 3-Step Multi Bonus Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – 3-Step Multi Bonus Securities:

(A) if the Final Settlement Condition is satisfied and no Knock-in Event has occurred:

Notional Amount × Gearing 1 × (Constant Percentage 1 + Bonus Percentage 1 + Gearing 2 × Option – Bonus Percentage 2)

(B) if the Final Settlement Condition is not satisfied and no Knock-in Event has occurred:

Notional Amount × Gearing 3 × (Constant Percentage 2 + Bonus Percentage 3 + Gearing 4 × Option – Bonus Percentage 4)

(C) if the Final Settlement Condition is not satisfied and a Knock-in Event has occurred:

Notional Amount × Gearing 5 × Max (Constant Percentage 3 + Gearing 6 × Option; Bonus Floor Percentage)

where:

"**Option**" means Put, Put Spread, Call, Call Spread, EDS or Forward as specified in the applicable Final Terms;

"**EDS**" means Max (Floor Percentage, Min (Constant Percentage 4 – nEDS × Loss Percentage, Constant Percentage 5));

"**Forward**" means Final Settlement Value – Strike Percentage;

"**nEDS**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is (i) less than or equal to or (ii) less than or (iii) greater than or equal to or (iv) greater than, as specified in the applicable Final Terms, EDS Barrier Percentage;

"**Call**" means Max (Final Settlement Value - Strike Percentage; Constant Percentage 4);

"**Call Spread**" means Min (Max (Final Settlement Value – Strike Percentage; Constant Percentage 4); Spread Percentage);

"**Put**" means Max (Strike Percentage – Final Settlement Value; Constant Percentage 4); and

"**Put Spread**" means Min (Max (Strike Percentage – Final Settlement Value; Constant Percentage 4); Spread Percentage),

provided that (aa) if the provisions of sub-paragraph (A) of this Formulas Condition 1.1 (uu)(vi) apply and Physical Delivery Option 1 is specified as applicable in the applicable Final Terms, (bb) if the provisions of sub-paragraph (B) of this Formulas Condition 1.1 (uu)(vi) or (cc) if the provisions of sub-paragraph (C) of this Formulas

Condition 1.1 (uu)(vi) apply and Physical Delivery Option 2 is specified as applicable in the applicable Final Terms, no Cash Settlement Amount will be payable and Physical Delivery will apply.

Description of the Final Payout

The Final Payout comprises:

- *If the Final Settlement Condition is satisfied and no Knock-in Event has occurred:*

  i. if Option is Put, Put Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s) up to the Strike Percentage; or

  ii. if Option is Call and Call Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s) up to the Final Settlement Value; or

  iii. if Option is Forward, an indexation (subject to Gearing) to the value of the Underlying Reference(s); or

  iv. if Option is EDS, a percentage that depends on how many Underlying Reference(s) in the basket have a value greater or lower than the EDS Barrier Percentage, subject to Gearing.

- *If the Final Settlement Condition is not satisfied and no Knock-in Event has occurred:*

  i. if Option is Put, Put Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s) up to the Strike Percentage; or

  ii. if Option is Call and Call Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s) up to the Final Settlement Value; or

  iii. if Option is Forward, an indexation (subject to Gearing) to the value of the Underlying Reference(s); or

  iv. if Option is EDS, a percentage that depends on how many Underlying Reference(s) in the basket have a value greater or lower than the EDS Barrier Percentage, subject to Gearing.

- *If a Knock-in Event has occurred:*

  i. if Option is Put, Put Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s) up to the Strike Percentage; or

ii. if Option is Call and Call Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s) up to the Final Settlement Value; or

iii. if Option is Forward, an indexation (subject to Gearing) to the value of the Underlying Reference(s); or

iv. if Option is EDS, a percentage that depends on how many Underlying Reference(s) in the basket have a value greater or lower than the EDS Barrier Percentage, subject to Gearing.

All of the above (i) to (iv) are subject to a Floor.

- *Physical Delivery may also apply.*

(vii) **Multiple Final Payout – 3-Step Flexi Bonus Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – 3-Step Flexi Bonus Securities:

(A) if the Final Settlement Condition is satisfied and no Knock-in Event has occurred:

Notional Amount × Gearing 1 × (Constant Percentage 1 + Bonus Percentage 1 + Gearing 2 × Option 1 – Bonus Percentage 2)

(B) if the Final Settlement Condition is not satisfied and no Knock-in Event has occurred:

Notional Amount × Gearing 3 × (Constant Percentage 2 + Bonus Percentage 3 + Gearing 4 × Option 2 – Bonus Percentage 4)

(C) if the Final Settlement Condition is not satisfied and a Knock-in Event has occurred:

Notional Amount × Gearing 5 × Max (Constant Percentage 3 + Gearing 6 × Option 3; Bonus Floor Percentage)

<u>Option 1</u>

"**Option 1**" means Put 1, Put Spread 1, Call 1, Call Spread 1, EDS 1 or Forward 1 as specified in the applicable Final Terms;

"**EDS 1**" means Max (Floor Percentage 1, Min (Constant Percentage 4 – nEDS 1 × Loss Percentage 1, Constant Percentage 5));

"**Forward 1**" means Final Settlement Value 1 – Strike Percentage 1;

"**nEDS 1**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value 1 is (i) less than or equal to or (ii) less than or (iii) greater than or equal to or (iv) greater than, as specified in the applicable Final Terms, EDS Barrier Percentage 1;

"**EDS Barrier Percentage 1**" is as defined in the relevant Final Terms;

"**Call 1**" means Max (Final Settlement Value 1 - Strike Percentage 1; Constant Percentage 4);

"**Call Spread 1**" means Min (Max (Final Settlement Value 1 – Strike Percentage 1; Constant Percentage 4); Spread Percentage 1);

"**Put 1**" means Max (Strike Percentage 1 – Final Settlement Value 1; Constant Percentage 4); and

"**Put Spread 1**" means Min (Max (Strike Percentage 1 – Final Settlement Value 1; Constant Percentage 4); Spread Percentage 1),

Option 2

"**Option 2**" means Put 2, Put Spread 2, Call 2, Call Spread 2, EDS 2 or Forward 2 as specified in the applicable Final Terms;

"**EDS 2**" means Max (Floor Percentage 2, Min (Constant Percentage 6 – nEDS 2 × Loss Percentage 2, Constant Percentage 7));

"**Forward 2**" means Final Settlement Value 2 – Strike Percentage 2;

"**nEDS 2**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value 2 is (i) less than or equal to or (ii) less than or (iii) greater than or equal to or (iv) greater than, as specified in the applicable Final Terms, EDS Barrier Percentage 2;

"**EDS Barrier Percentage 2**" is as defined in the relevant Final Terms;

"**Call 2**" means Max (Final Settlement Value 2 - Strike Percentage 2; Constant Percentage 6);

"**Call Spread 2**" means Min (Max (Final Settlement Value 2 – Strike Percentage 2; Constant Percentage 6); Spread Percentage 2);

"**Put 2**" means Max (Strike Percentage 2 – Final Settlement Value 2; Constant Percentage 6); and

"**Put Spread 2**" means Min (Max (Strike Percentage 2 – Final Settlement Value 2; Constant Percentage 6); Spread Percentage 2),

Option 3

"**Option 3**" means Put 3, Put Spread 3, Call 3, Call Spread 3, EDS 3 or Forward 3 as specified in the applicable Final Terms;

"**EDS 3**" means Max (Floor Percentage 3, Min (Constant Percentage 8 – nEDS 3 × Loss Percentage 3, Constant Percentage 9));

"**Forward 3**" means Final Settlement Value 3 – Strike Percentage 3;

"**nEDS 3**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value 3 is (i) less than or equal to or (ii) less than or (iii) greater than or equal to or (iv) greater than, as specified in the applicable Final Terms, EDS Barrier Percentage 3;

"**EDS Barrier Percentage 3**" is as defined in the relevant Final Terms;

"**Call 3**" means Max (Final Settlement Value 3 - Strike Percentage 3; Constant Percentage 8);

"**Call Spread 3**" means Min (Max (Final Settlement Value 3 – Strike Percentage 3; Constant Percentage 8); Spread Percentage 3);

"**Put 3**" means Max (Strike Percentage 3 – Final Settlement Value 3; Constant Percentage 8); and

"**Put Spread 3**" means Min (Max (Strike Percentage 3 – Final Settlement Value 3; Constant Percentage 8); Spread Percentage 3),

provided that (aa) if the provisions of sub-paragraph (A) of this Formulas Condition 1.1 (uu)(vii) apply and Physical Delivery Option 1 is specified as applicable in the applicable Final Terms, (bb) if the provisions of sub-paragraph (B) of this Formulas Condition 1.1 (uu)(vii) or (cc) if the provisions of sub-paragraph (C) of this Formulas Condition 1.1 (uu)(vii) apply and Physical Delivery Option 2 is specified as applicable in the applicable Final Terms, no Cash Settlement Amount will be payable and Physical Delivery will apply.

Description of the Final Payout

The Final Payout comprises:

- *If the Final Settlement Condition is satisfied and no Knock-in Event has occurred:*
    - *i. if Option 1 is Put, Put Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s) up to the Strike Percentage; or*

ii. if Option 1 is Call and Call Spread, an indexation (subject to Gearing) to the value of the Underlying Reference(s) up to the Final Settlement Value; or

iii. if Option 1 is Forward, an indexation (subject to Gearing) to the value of the Underlying Reference(s); or

iv. if Option 1 is EDS, a percentage that depends on how many Underlying Reference(s) in the basket have a value greater or lower than the EDS Barrier Percentage, subject to Gearing.

- *If the Final Settlement Condition is not satisfied and no Knock-in Event has occurred, an indexation similar to (i) to (iv) but, possibly, with a different Option, i.e. Option 2*
- *If a Knock-in Event has occurred an indexation similar to (i) to (iv) but, possibly, with a different Option, i.e. Option 3 subject to a Floor*
- *Physical Delivery may also apply.*

(viii) **Multiple Final Payout – (Capped) Knock-Out Bonus Performance Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – (Capped) Knock-Out Bonus Performance Securities:

(A) if Cap is specified as not applicable in the applicable Final Terms:

(x) if a Knock-out Event has occurred:

Notional Amount × (Constant Percentage 1 + Final Settlement Value 2); or

(y) if no Knock-out Event has occurred:

Notional Amount × (Constant Percentage 2 + Max (Bonus Percentage, Final Settlement Value 1))

(B) if Cap is specified as applicable in the applicable Final Terms:

(x) if a Knock-out Event has occurred:

Notional Amount × (Constant Percentage 1 + Final Settlement Value 2 - Max (Final Settlement Value 2 - Cap Percentage 1, Floor Percentage 1)); or

(y) if no Knock-out Event has occurred:

Notional Amount × [Constant Percentage 2 + Max (Bonus Percentage, Final Settlement Value 1) - Max (Final Settlement Value 1 - Cap Percentage 2, Floor Percentage 2)]

Description of the Final Payout

If Cap is specified as not applicable the Final Payout comprises:

- *if no Knock-out Event has occurred, a minimum percentage and indexation to the value of the Underlying Reference(s) above the Bonus Percentage; or*
- *if a Knock-out Event has occurred, indexation to the value of the Underlying Reference(s) (this value may differ from the above value).*

If Cap is specified as applicable the Final Payout provides limited maximum upside and comprises:

- *if no Knock- out Event has occurred, a minimum percentage and indexation to the value of the Underlying Reference(s) above the Bonus Percentage, up to a maximum level and subject to a minimum level; or*
- *if a Knock- out Event has occurred, indexation to the value of the Underlying Reference(s) (this value may differ from the above value), up to a maximum level and subject to a minimum level.*

(ix) **Multiple Final Payout – (Capped) Knock – In Bonus Performance Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – (Capped) Multi Knock – In Bonus Performance Securities:

(A) if Cap is specified as not applicable in the applicable Final Terms:

(x) if a Knock-in Event has occurred:

Notional Amount × (Constant Percentage 1 + Final Settlement Value 2); or

(y) if no Knock-in Event has occurred:

Notional Amount × (Constant Percentage 2 + Max (Bonus Percentage, Final Settlement Value 1))

(B) if Cap is specified as applicable in the applicable Final Terms:

(x) if a Knock-in Event has occurred:

Notional Amount × (Constant Percentage 1 + Final Settlement Value 2 - Max (Final Settlement Value 2 - Cap Percentage 1, Floor Percentage 1)); or

(y) if no Knock-in Event has occurred:

Notional Amount × [Constant Percentage 2 + Max (Bonus Percentage, Final Settlement Value 1) - Max (Final Settlement Value 1 - Cap Percentage 2, Floor Percentage 2)]

Description of the Final Payout

If Cap is specified as not applicable the Final Payout comprises:

- *if no Knock-in Event has occurred, a minimum percentage and indexation to the value of the Underlying Reference(s) above the Bonus Percentage; or*
- *if a Knock-in Event has occurred, indexation to the value of the Underlying Reference(s) (this value may differ from the above value).*

If Cap is specified as applicable the Final Payout provides limited maximum upside and comprises:

- *if no Knock- in Event has occurred, a minimum percentage and indexation to the value of the Underlying Reference(s) above the Bonus Percentage, up to a maximum level and subject to a minimum level; or*
- *if a Knock- in Event has occurred, indexation to the value of the Underlying Reference(s) (this value may differ from the above value), up to a maximum level and subject to a minimum level.*

(x) **Multiple Final Payout – Leveraged Performance Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – Leveraged Performance Securities:

(A) if Cap is specified as not applicable in the applicable Final Terms:

(x) if a Knock-out Event has occurred:

Notional Amount × { Constant Percentage 1 + Constant Percentage 2 + [Final Settlement Value + Gearing 1 × Max (Final Settlement Value - Strike Percentage, Floor Percentage)] }; or

(y) if no Knock-out Event has occurred:

Notional Amount × { Constant Percentage 3+ Constant Percentage 4 + [Max (Fixed Percentage 1, Fixed Percentage 2 + Gearing 2 × (Final Settlement Value – Strike Percentage))] }

(B) if Cap is specified as applicable in the applicable Final Terms:

(x) if a Knock-out Event has occurred:

Notional Amount × (Constant Percentage 1 + Constant Percentage 2 + Min [Cap Percentage 1, [Final Settlement Value + Gearing 1 × Max (Final Settlement Value - Strike Percentage, Floor Percentage)]]); or

(y) if no Knock-out Event has occurred:

Notional Amount × (Constant Percentage 3+ Constant Percentage 4 + Min [Cap Percentage 2, [Max (Fixed Percentage 1, Fixed Percentage 2 + Gearing 2 × (Final Settlement Value - Strike Percentage))]])

where:

"**Gearing 1**" is as defined in the applicable Final Terms;

"**Gearing 2**" is as defined in the applicable Final Terms;

"**Fixed Percentage 1**" is as defined in the applicable Final Terms;

"**Fixed Percentage 2**" is as defined in the applicable Final Terms.

Description of the Final Payout

If Cap is specified as not applicable the Final Payout comprises:

- *if no Knock-out Event has occurred, a minimum percentage and leveraged indexation to the value of the Underlying Reference(s) above the Strike Percentage, subject to a minimum of the Fixed Percentage 1; or*

- *if a Knock-out Event has occurred, a minimum percentage and leveraged indexation to the value of the Underlying Reference(s) plus additional indexation to the value of the Underlying Reference(s) above the Strike Percentage, subject to a minimum of the Floor Percentage.*

If Cap is specified as applicable the Final Payout provides limited maximum upside and comprises:

- *if no Knock-out Event has occurred, a minimum percentage and leveraged indexation to the value of the Underlying Reference(s) above the Strike Percentage, subject to a minimum of the Fixed Percentage1 and up to a maximum level equal to the Cap Percentage; or*

- *if a Knock-out Event has occurred, indexation to the value of the Underlying Reference(s) plus additional indexation to the value of the Underlying Reference(s) above the Strike Percentage, subject to a minimum of the Floor Percentage. The aggregate indexation is limited to a maximum level equal to the Cap Percentage.*

(vv) **Multiple Final Payout – Twin-Win Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – Twin-Win Securities:

(A) if Cap is specified as not applicable in the applicable Final Terms:

(x) if a Knock-out Event has occurred:

Notional Amount × (Constant Percentage 1 + Max [Floor Percentage 1, Gearing 1 × Final Settlement Value]); or

(y) if no Knock-out Event has occurred:

Notional Amount × (Constant Percentage 2 + Max [Max (Gearing 2 × (Strike Percentage - Final Settlement Value), Gearing 3 × (Final Settlement Value - Strike Percentage)), Floor Percentage 2])

(B) if Cap is specified as applicable in the applicable Final Terms:

(x) if a Knock-out Event has occurred:

Notional Amount × (Constant Percentage 1 + [Min (Cap Percentage 1, Gearing 1 × Final Settlement Value)]); or

(y) if no Knock-out Event has occurred:

Notional Amount × { Constant Percentage 2 + Max { Max [Gearing 2 × (Strike Percentage – Final Settlement Value), Min (Cap Percentage 2 – Strike Percentage, Gearing 3 × (Final Settlement Value – Strike Percentage))], Floor Percentage }}

where:

"**Gearing 1**" is as defined in the applicable Final Terms;

"**Gearing 2**" is as defined in the applicable Final Terms;

"**Gearing 3**" is as defined in the applicable Final Terms.

Description of the Final Payout

If Cap is specified as not applicable the Final Payout comprises:

- *if no Knock-out Event has occurred, a minimum percentage, an indexation (subject to Gearing 3) to the value of the Underlying Reference(s) above the Strike Percentage or an indexation (subject to Gearing 2) to the value of the Underlying Reference(s) below the Strike Percentage in absolute terms, subject to a floor of the Floor Percentage 2; or*

- *if a Knock-out Event has occurred, a minimum percentage and an indexation (subject to Gearing 1) to the value of the Underlying Reference(s), subject to a floor of the Floor Percentage 1.*

If Cap is specified as applicable the Final Payout comprises:

- *if no Knock-out Event has occurred, a minimum percentage, an indexation (subject to Gearing 3) to the value of the Underlying Reference(s) above the Strike Percentage and up to a maximum level equal to the Cap Percentage or an indexation (subject to Gearing 3) to the value of the Underlying Reference(s) below the Strike Percentage in absolute terms, subject to a Floor Percentage; or*

- *if a Knock-out Event has occurred, a minimum percentage and an indexation (subject to Gearing 1) to the value of the Underlying Reference(s) up to a maximum level equal to the Cap Percentage.*

(ww) **Multiple Final Payout – Knock-In Outperformance Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – Knock-In Outperformance Securities:

(A) if Cap is specified as not applicable in the applicable Final Terms:

(x) if a Knock-in Event has occurred:

Notional Amount × (Constant Percentage 1 + Final Settlement Value + Additional Gearing × Max (Final Settlement Value – Strike Percentage, Floor Percentage)); or

(y) if no Knock-in Event has occurred:

Notional Amount × (Constant Percentage 2 + Final Settlement Value)

(B) if Cap is specified as applicable in the applicable Final Terms:

(x) if a Knock-in Event has occurred:

Notional Amount × (Constant Percentage 1 + [Min (Cap Percentage 1, Final Settlement Value + Additional Gearing × Max (Final Settlement Value - Strike Percentage, Floor Percentage))]); or

(y) if no Knock-in Event has occurred:

Notional Amount × (Constant Percentage 2 + [Min (Cap Percentage 2 , Final Settlement Value)]).

Description of the Final Payout

If Cap is specified as not applicable the Final Payout comprises:

- *a minimum percentage and an indexation to the value of the Underlying Reference(s); and*

- *if a Knock-in Event has occurred, additional indexation (subject to gearing) to the value of the Underlying Reference(s) above the Strike Percentage subject to a minimum of a Floor Percentage.*

If Cap is specified as applicable the Final Payout provides a limited maximum upside and comprises:

- *a minimum percentage and an indexation to the value of the Underlying Reference(s) up to a maximum of the Cap Percentage 2; and*

- *if a Knock-in Event has occurred, additional indexation (subject to gearing) to the value of the Underlying Reference(s) above the Strike Percentage subject to a minimum of a Floor Percentage and up to a maximum of the Cap Percentage 1.*

(xx) **Multiple Final Payout – Flexi Performance Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – Flexi Performance Securities:

Notional Amount × (Constant Percentage 1 + Gearing Up × Option Up + Gearing Down × Option Down)

where:

"**Down Call**" means Max (Down Final Settlement Value – Down Strike Percentage; Down Floor Percentage);

"**Down Call Spread**" means Min (Max (Down Final Settlement Value – Down Strike Percentage; Down Floor Percentage); Down Cap Percentage);

"**Down Forward**" means Down Final Settlement Value – Down Strike Percentage;

"**Down Put**" means Max (Down Strike Percentage – Down Final Settlement Value; Down Floor Percentage);

"**Down Put Spread**" means Min (Max (Down Strike Percentage – Down Final Settlement Value; Down Floor Percentage); Down Cap Percentage);

"**Option Down**" means Down Put, Down Put Spread, Down Forward, Down Call or Down Call Spread as specified in the applicable Final Terms;

"**Option Up**" means Up Call, Up Call Spread, Up Forward, Up Put or Up Put Spread as specified in the applicable Final Terms;

"**Up Call**" means Max (Up Final Settlement Value – Up Strike Percentage; Up Floor Percentage);

"**Up Call Spread**" means Min (Max (Up Final Settlement Value – Up Strike Percentage; Up Floor Percentage); Up Cap Percentage);

"**Up Forward**" means Up Final Settlement Value – Up Strike Percentage;

"**Up Put**" means Max (Up Strike Percentage – Up Final Settlement Value; Up Floor Percentage);

"**Up Put Spread**" means Min (Max (Up Strike Percentage – Up Final Settlement Value; Up Floor Percentage); Up Cap Percentage).

Description of the Final Payout

The Final Payout comprises a minimum percentage and an indexation (subject to Gearing Up) to the value of the Underlying Reference(s) through the Option Up which may be subject to a maximum level and an indexation (subject to Gearing Down) to the value (this value may differ from the value above) of the Underlying Reference(s) through the Option Down which may be subject to a maximum level (which may differ from the maximum level above).

(yy) **Multiple Final Payout – Hyper-Flexi Performance Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – Hyper Flexi Performance Securities:

Notional Amount × (Constant Percentage 1 + Gearing 1 × Option Up + Gearing 2 × Option Down + Gearing 3 × Option Down + Gearing 4 × Option Up)

where:

"**Gearing 1**" means the percentage specified as such in the applicable Final Terms;

"**Gearing 2**" means the percentage specified as such in the applicable Final Terms;

"**Gearing 3**" means the percentage specified as such in the applicable Final Terms;

"**Gearing 4**" means the percentage specified as such in the applicable Final Terms;

"**Down Call**" means Max (Down Final Settlement Value – Down Strike Percentage; Down Floor Percentage);

"**Down Call Spread**" means Min (Max (Down Final Settlement Value – Down Strike Percentage; Down Floor Percentage); Down Cap Percentage);

"**Down Forward**" means Down Final Settlement Value – Down Strike Percentage;

"**Down Put**" means Max (Down Strike Percentage – Down Final Settlement Value; Down Floor Percentage);

"**Down Put Spread**" means Min (Max (Down Strike Percentage – Down Final Settlement Value; Down Floor Percentage); Down Cap Percentage);

"**Option Down**" means Down Put, Down Put Spread, Down Forward, Down Call or Down Call Spread as specified in the applicable Final Terms;

"**Option Up**" means Up Call, Up Call Spread, Up Forward, Up Put or Up Put Spread as specified in the applicable Final Terms;

"**Up Call**" means Max (Up Final Settlement Value – Up Strike Percentage; Up Floor Percentage);

"**Up Call Spread**" means Min (Max (Up Final Settlement Value – Up Strike Percentage; Up Floor Percentage); Up Cap Percentage);

"**Up Forward**" means Up Final Settlement Value – Up Strike Percentage;

"**Up Put**" means Max (Up Strike Percentage – Up Final Settlement Value; Up Floor Percentage);

"**Up Put Spread**" means Min (Max (Up Strike Percentage – Up Final Settlement Value; Up Floor Percentage); Up Cap Percentage).

Description of the Final Payout

The Final Payout comprises a minimum percentage and an indexation (subject to the relevant gearing) to the value of the Underlying Reference(s) through the Option Up which may be subject to a maximum level and an indexation (subject to the relevant gearing) to the value (this value may differ from the value above) of the Underlying Reference(s) through the Option Down which may be subject to a maximum level (which may differ from the maximum level above).

(zz) **Multiple Final Payout – Flexi Knock-In Performance Securities**

If the Securities are specified in the applicable Final Terms as Multiple Final Payout – Flexi Knock-In Performance Securities:

(A) if no Knock-in Event has occurred:

Notional Amount × (Constant Percentage 1 + Gearing Up × Option Up); or

(B) if a Knock-in Event has occurred:

Notional Amount × (Constant Percentage 2+ Gearing Down × Option Down)

where:

"**Down Call**" means Max (Down Final Settlement Value – Down Strike Percentage; Down Floor Percentage);

"**Down Call Spread**" means Min (Max (Down Final Settlement Value – Down Strike Percentage; Down Floor Percentage); Down Cap Percentage);

"**Down Forward**" means Down Final Settlement Value – Down Strike Percentage;

"**Down Put**" means Max (Down Strike Percentage – Down Final Settlement Value; Down Floor Percentage);

"**Down Put Spread**" means Min (Max (Down Strike Percentage – Down Final Settlement Value; Down Floor Percentage); Down Cap Percentage);

"**Option Down**" means Down Put, Down Put Spread, Down Forward, Down Call or Down Call Spread as specified in the applicable Final Terms;

"**Option Up**" means Up Call, Up Call Spread, Up Forward, Up Put or Up Put Spread as specified in the applicable Final Terms;

"**Up Call**" means Max (Up Final Settlement Value – Up Strike Percentage; Up Floor Percentage);

"**Up Call Spread**" means Min (Max (Up Final Settlement Value – Up Strike Percentage; Up Floor Percentage); Up Cap Percentage);

"**Up Forward**" means Up Final Settlement Value – Up Strike Percentage;

"**Up Put**" means Max (Up Strike Percentage – Up Final Settlement Value; Up Floor Percentage);

"**Up Put Spread**" means Min (Max (Up Strike Percentage – Up Final Settlement Value; Up Floor Percentage); Up Cap Percentage).

Description of the Final Payout

The Final Payout comprises:

- *if no Knock-in Event has occurred, a fixed percentage and an indexation (subject to Gearing Up) to the value of the Underlying Reference(s) through the Option Up which may be subject to a maximum level; or*

- *if a Knock-in Event has occurred, a fixed percentage and an indexation (subject to Gearing Down) to the value of the Underlying Reference(s) (this value may differ from the value above) through the Option Down which may be subject to a maximum level (which may differ from the maximum level above).*

(aaa) **Multiple Final Payout – Flexi Knock-Out Performance Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – Flexi Knock-Out Performance:

(A) if no Knock-out Event has occurred:

Notional Amount × (Constant Percentage 1 + Gearing Down × Option Down); or

(B) if a Knock-out Event has occurred:

Notional Amount × (Constant Percentage 2 + Gearing Up × Option Up),

where:

"**Down Call**" means Max (Down Final Settlement Value – Down Strike Percentage; Down Floor Percentage);

"**Down Call Spread**" means Min (Max (Down Final Settlement Value – Down Strike Percentage; Down Floor Percentage); Down Cap Percentage);

"**Down Forward**" means Down Final Settlement Value – Down Strike Percentage;

"**Down Put**" means Max (Down Strike Percentage – Down Final Settlement Value; Down Floor Percentage);

"**Down Put Spread**" means Min (Max (Down Strike Percentage – Down Final Settlement Value; Down Floor Percentage); Down Cap Percentage);

"**Option Down**" means Down Put, Down Put Spread, Down Forward, Down Call or Down Call Spread as specified in the applicable Final Terms;

"**Option Up**" means Up Call, Up Call Spread, Up Forward, Up Put or Up Put Spread as specified in the applicable Final Terms;

"**Up Call**" means Max (Up Final Settlement Value – Up Strike Percentage; Up Floor Percentage);

"**Up Call Spread**" means Min (Max (Up Final Settlement Value – Up Strike Percentage; Up Floor Percentage); Up Cap Percentage);

"**Up Forward**" means Up Final Settlement Value – Up Strike Percentage;

"**Up Put**" means Max (Up Strike Percentage – Up Final Settlement Value; Up Floor Percentage); and

"**Up Put Spread**" means Min (Max (Up Strike Percentage – Up Final Settlement Value; Up Floor Percentage); Up Cap Percentage).

Description of the Final Payout

The Final Payout comprises:

- *if no Knock-out Event has occurred, a fixed percentage and an indexation (subject to Gearing Down) to the value of the Underlying Reference(s) through the Option Down which may be subject to a maximum level; or*

- *if a Knock-out Event has occurred, a fixed percentage and an indexation (subject to Gearing Up) to the value of the Underlying Reference(s) (this value may differ from the value above) through the Option Up which may be subject to a maximum level (which may differ from the maximum level above).*

(bbb) **Multiple Final Payout – Hyper-Flexi Knock-In Performance Securities**

If the Securities are specified in the applicable Final Terms as Multiple Final Payout – Hyper-Flexi Knock-In Performance Securities:

(A) if no Knock-in Event has occurred:

Notional Amount × (Constant Percentage 1 + Gearing Up 1 × Option Up 1 + Gearing Down 1 × Option Down 1); or

(B) if a Knock-in Event has occurred:

Notional Amount × (Constant Percentage 2 + Gearing Up 2 × Option Up 2 + Gearing Down 2 × Option Down 2)

where:

"**Gearing Up 1**" means the percentage specified as such in the applicable Final Terms;

"**Gearing Up 2**" means the percentage specified as such in the applicable Final Terms;

"**Gearing Down 1**" means the percentage specified as such in the applicable Final Terms;

"**Gearing Down 2**" means the percentage specified as such in the applicable Final Terms;

"**Down Call**" means Max (Down Final Settlement Value – Down Strike Percentage; Down Floor Percentage);

"**Down Call Spread**" means Min (Max (Down Final Settlement Value – Down Strike Percentage; Down Floor Percentage); Down Cap Percentage);

"**Down Forward**" means Down Final Settlement Value – Down Strike Percentage;

"**Down Put**" means Max (Down Strike Percentage – Down Final Settlement Value; Down Floor Percentage);

"**Down Put Spread**" means Min (Max (Down Strike Percentage – Down Final Settlement Value; Down Floor Percentage); Down Cap Percentage);

"**Option Down 1**" means Down Put, Down Put Spread, Down Forward, Down Call or Down Call Spread as specified in the applicable Final Terms;

"**Option Down 2**" means Down Put, Down Put Spread, Down Forward, Down Call or Down Call Spread as specified in the applicable Final Terms;

"**Option Up 1**" means Up Call, Up Call Spread, Up Forward, Up Put or Up Put Spread as specified in the applicable Final Terms;

"**Option Up 2**" means Up Call, Up Call Spread, Up Forward, Up Put or Up Put Spread as specified in the applicable Final Terms;

"**Up Call**" means Max (Up Final Settlement Value – Up Strike Percentage; Up Floor Percentage);

"**Up Call Spread**" means Min (Max (Up Final Settlement Value – Up Strike Percentage; Up Floor Percentage); Up Cap Percentage);

"**Up Forward**" means Up Final Settlement Value – Up Strike Percentage;

"**Up Put**" means Max (Up Strike Percentage – Up Final Settlement Value; Up Floor Percentage);

"**Up Put Spread**" means Min (Max (Up Strike Percentage – Up Final Settlement Value; Up Floor Percentage); Up Cap Percentage).

Description of the Final Payout

The Final Payout comprises:

- *if no Knock-in Event has occurred, a fixed percentage and an indexation (subject to the relevant gearing) to the value of the Underlying Reference(s) through (1) the Option Up 1 which may be subject to a maximum or a minimum level and (2) through the Option Down 1 which may be subject to a maximum or a minimum level; or*

- *if a Knock-in Event has occurred, a fixed percentage (which may differ from the fixed percentage above) and an indexation (subject to the relevant gearing) to the value of the Underlying Reference(s) (this value may differ from the value above) through (1) the Option Down 2 which may be subject to a maximum or a minimum level (which may differ from the maximum level above) and (2) the Option Up 2 which may be subject to a maximum or a minimum level.*

(ccc) **Multiple Final Payout – Hyper-Flexi Knock-Out Performance Securities**

If the Securities are specified in the applicable Final Terms as Multiple Final Payout – Hyper-Flexi Knock-out Performance Securities:

(A) if no Knock-out Event has occurred:

Notional Amount × (Constant Percentage 1 + Gearing Up 1 × Option Up 1 + Gearing Down 1 × Option Down 1); or

(B) if a Knock-out Event has occurred:

Notional Amount × (Constant Percentage 2 + Gearing Up 2 × Option Up 2 + Gearing Down 2 × Option Down 2)

where:

"**Gearing Up 1**" means the percentage specified as such in the applicable Final Terms;

"**Gearing Up 2**" means the percentage specified as such in the applicable Final Terms;

"**Gearing Down 1**" means the percentage specified as such in the applicable Final Terms;

"**Gearing Down 2**" means the percentage specified as such in the applicable Final Terms;

"**Down Call**" means Max (Down Final Settlement Value – Down Strike Percentage; Down Floor Percentage);

"**Down Call Spread**" means Min (Max (Down Final Settlement Value – Down Strike Percentage; Down Floor Percentage); Down Cap Percentage);

"**Down Forward**" means Down Final Settlement Value – Down Strike Percentage;

"**Down Put**" means Max (Down Strike Percentage – Down Final Settlement Value; Down Floor Percentage);

"**Down Put Spread**" means Min (Max (Down Strike Percentage – Down Final Settlement Value; Down Floor Percentage); Down Cap Percentage);

"**Option Down 1**" means Down Put, Down Put Spread, Down Forward, Down Call or Down Call Spread as specified in the applicable Final Terms;

"**Option Down 2**" means Down Put, Down Put Spread, Down Forward, Down Call or Down Call Spread as specified in the applicable Final Terms;

"**Option Up 1**" means Up Call, Up Call Spread, Up Forward, Up Put or Up Put Spread as specified in the applicable Final Terms;

"**Option Up 2**" means Up Call, Up Call Spread, Up Forward, Up Put or Up Put Spread as specified in the applicable Final Terms;

"**Up Call**" means Max (Up Final Settlement Value – Up Strike Percentage; Up Floor Percentage);

"**Up Call Spread**" means Min (Max (Up Final Settlement Value – Up Strike Percentage; Up Floor Percentage); Up Cap Percentage);

"**Up Forward**" means Up Final Settlement Value – Up Strike Percentage;

"**Up Put**" means Max (Up Strike Percentage – Up Final Settlement Value; Up Floor Percentage);

"**Up Put Spread**" means Min (Max (Up Strike Percentage – Up Final Settlement Value; Up Floor Percentage); Up Cap Percentage).

Description of the Final Payout

The Final Payout comprises:

- *if no Knock-out Event has occurred, a fixed percentage and an indexation (subject to the relevant gearing) to the value of the Underlying Reference(s) through (1) the Option Up 1 which may be subject to a maximum or a minimum level and (2) through the Option Down 1 which may be subject to a maximum or a minimum level; or*

- *if a Knock-out Event has occurred, a fixed percentage (which may differ from the fixed percentage above) and an indexation (subject to the relevant gearing) to the value of the Underlying Reference(s) (this value may differ from the value above) through (1) the Option Down 2 which may be subject to a maximum or a minimum level (which may differ from the maximum level above) and (2) the Option Up 2 which may be subject to a maximum or a minimum level.*

(ddd) **Multiple Final Payout – Hyper-Flexi Multi Knock-In Performance Securities**

If the Securities are specified in the applicable Final Terms as Multiple Final Payout – Hyper-Flexi Multi Knock-In Performance Securities:

(A) if no Knock-In Event has occurred:

i. if Global Cap 1 and Global Floor 1 are specified as not applicable in the applicable Final Terms:

Notional Amount × { Fixed Percentage 1 + [Sum (n = 1, 2, …, N) $W_{(n)}$ × (Constant $Percentage_{(n)}$ + $Gearing_{(n)}$ × $Option_{(n)}$)] }

ii. if Global Cap 1 is specified as applicable and Global Floor 1 is specified as not applicable in the applicable Final Terms:

Notional Amount × { Fixed Percentage 1 + Min [Sum (n = 1, 2, …, N) $W_{(n)}$ × (Constant $Percentage_{(n)}$ + $Gearing_{(n)}$ × $Option_{(n)}$) ; Global Cap 1] }

iii. if Global Cap 1 is specified as not applicable and Global Floor 1 is specified as applicable in the applicable Final Terms:

Notional Amount × { Fixed Percentage 1 + Max [Sum (n = 1, 2, …, N) $W_{(n)}$ × (Constant $Percentage_{(n)}$ + $Gearing_{(n)}$ × $Option_{(n)}$) ; Global Floor 1] }

iv. if Global Cap 1 and Global Floor 1 are specified as applicable in the applicable Final Terms:

Notional Amount × { Fixed Percentage 1 + Min [Max [Sum (n = 1, 2, …, N) $W_{(n)}$ × (Constant $Percentage_{(n)}$ + $Gearing_{(n)}$ × $Option_{(n)}$) ; Global Floor 1] ; Global Cap 1] }

(B) if a Knock-In Event has occurred:

i. if Global Cap 2 and Global Floor 2 are specified as not applicable in the applicable Final Terms:

Notional Amount × { Fixed Percentage 2 + [Sum (j = 1, 2, …, J) $W_{(j)}$ × (Constant $Percentage_{(j)}$ + $Gearing_{(j)}$ × $Option_{(j)}$)] }

ii. if Global Cap 2 is specified as applicable and Global Floor 2 is specified as not applicable in the applicable Final Terms:

Notional Amount × { Fixed Percentage 2 + Min [Sum (j = 1, 2, …, J) $W_{(j)}$ × (Constant $Percentage_{(j)}$ + $Gearing_{(j)}$ × $Option_{(j)}$) , Global Cap 2] }

iii. if Global Cap 2 is specified as not applicable and Global Floor 2 is specified as applicable in the applicable Final Terms:

Notional Amount × { Fixed Percentage 2 + Max [Sum (j = 1, 2, …, J) $W_{(j)}$ × (Constant $Percentage_{(j)}$ + $Gearing_{(j)}$ × $Option_{(j)}$) , Global Floor 2] }

iv. if Global Cap 2 and Global Floor 2 are specified as applicable in the applicable Final Terms:

Notional Amount × { Fixed Percentage 2 + Min [Max [Sum (j = 1, 2, …, J) $W_{(j)}$ × (Constant $Percentage_{(j)}$ + $Gearing_{(j)}$ × $Option_{(j)}$) , Global Floor 2] ; Global Cap 2] }

where:

"**Fixed Percentage 1**" is as defined in the applicable Final Terms;

"**Fixed Percentage 2**" is as defined in the applicable Final Terms;

"**Global Cap 1**" is as defined in the applicable Final Terms;

"**Global Floor 1**" is as defined in the applicable Final Terms;

"**Global Cap 2**" is as defined in the applicable Final Terms;

"**Global Floor 2**" is as defined in the applicable Final Terms;

"**J**" is as defined in the applicable Final Terms;

"**N**" is as defined in the applicable Final Terms;

"**n**" is as defined in the applicable Final Terms;

"**Constant $Percentage_n$**" means the percentage specified as such in the applicable Final Terms;

"**$Gearing_n$**" is as defined in the applicable Final Terms;

"**Generic Percentage$_{(n,1)}$**" is as defined in the applicable Final Terms;

"**Generic Percentage$_{(n,2)}$**" is as defined in the applicable Final Terms;

"**Floor Percentage$_{(n)}$**" is as defined in the applicable Final Terms;

"**Loss Percentage$_{(n)}$**" is as defined in the applicable Final Terms;

"**Final Settlement Value$_{(n)}$**" means the value from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (G*reatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts)*, 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms

"**Strike Percentage$_{(n)}$**" is as defined in the applicable Final Terms;

"**Spread Percentage$_{(n)}$**" is as defined in the applicable Final Terms;

"**Option$_{n}$**" means Put$_{(n)}$, Put Spread$_{(n)}$, Call$_{(n)}$, Call Spread$_{(n)}$, EDS$_{(n)}$ or Forward$_{(n)}$ as specified in the applicable Final Terms;

"**EDS$_{(n)}$**" means Max (Floor Percentage$_{(n)}$, Min (Generic Percentage$_{(n,1)}$ – nEDS$_{(n)}$ × Loss Percentage$_{(n)}$, Generic Percentage $_{(n,2)}$));

"**Forward$_{(n)}$**" means Final Settlement Value$_{(n)}$ – Strike Percentage$_{(n)}$;

"**nEDS$_{(n)}$**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is (i) less than or equal to or (ii) less than or (iii) greater than or equal to or (iv) greater than, as specified in the applicable Final Terms, EDS Barrier Percentage$_{(n)}$;

"**EDS Barrier Percentage$_{(n)}$**" is as defined in the applicable Final Terms;

"**Call$_{(n)}$**" means Max (Final Settlement Value$_{(n)}$ - Strike Percentage$_{(n)}$; Generic Percentage$_{(n,1)}$);

"**Call Spread$_{(n)}$**" means Min (Max (Final Settlement Value$_{(n)}$ – Strike Percentage$_{(n)}$; Generic Percentage$_{(n,1)}$); Spread Percentage$_{(n)}$);

"**Put$_{(n)}$**" means Max (Strike Percentage$_{(n)}$ – Final Settlement Value$_{(n)}$; Generic Percentage$_{(n,1)}$);

"**Put Spread$_{(n)}$**" means Min (Max (Strike Percentage$_{(n)}$ – Final Settlement Value$_{(n)}$; Generic Percentage$_{(n,1)}$); Spread Percentage$_{(n)}$);

"**Constant Percentage$_j$**" is as defined in the applicable Final Terms;

"**Gearing$_j$**" is as defined in the applicable Final Terms;

"**Generic Percentage $_{(j,1)}$** " is as defined in the applicable Final Terms;

"**Generic Percentage$_{(j,2)}$** " is as defined in the applicable Final Terms;

"**Floor Percentage$_{(j)}$** " is as defined in the applicable Final Terms;

"**Loss Percentage$_{(j)}$** " is as defined in the applicable Final Terms;

"**Final Settlement Value$_{(j)}$**" means the value from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (G*reatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts)*, 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms;

"**Strike Percentage$_{(j)}$** " is as defined in the applicable Final Terms;

"**Spread Percentage$_{(j)}$**" is as defined in the applicable Final Terms;

"**Option$_j$**" means Put$_{(j)}$, Put Spread$_{(j)}$, Call$_{(j)}$, Call Spread$_{(j)}$, EDS$_{(j)}$ or Forward$_{(j)}$ as specified in the applicable Final Terms;

"**EDS$_{(j)}$**" means Max (Floor Percentage$_{(j)}$, Min (Generic Percentage$_{(j,1)}$ – nEDS$_{(j)}$ × Loss Percentage$_{(j)}$, Generic Percentage $_{(j,2)}$));

"**Forward$_{(j)}$**" means Final Settlement Value$_{(j)}$ – Strike Percentage$_{(j)}$;

"**nEDS$_{(j)}$**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is (i) less than or equal to or (ii) less than or (iii) greater than or equal to or (iv) greater than, as specified in the applicable Final Terms, EDS Barrier Percentage$_{(j)}$;

"**EDS Barrier Percentage$_{(j)}$**" is as defined in the applicable Final Terms;

"**Call$_{(j)}$**" means Max (Final Settlement Value$_{(j)}$ - Strike Percentage$_{(j)}$; Generic Percentage$_{(j,1)}$);

"**Call Spread$_{(j)}$**" means Min (Max (Final Settlement Value$_{(j)}$ – Strike Percentage$_{(j)}$; Generic Percentage$_{(j,1)}$); Spread Percentage$_{(j)}$);

"**Put$_{(j)}$**" means Max (Strike Percentage$_{(j)}$ – Final Settlement Value$_{(j)}$; Generic Percentage$_{(j,1)}$); and

"**Put Spread$_{(j)}$**" means Min (Max (Strike Percentage$_{(j)}$ – Final Settlement Value$_{(j)}$; Generic Percentage$_{(j,1)}$); Spread Percentage$_{(j)}$)

Description of the Final Payout

The Final Payout comprises:

- *if a Knock-in Event has not occurred, a fixed percentage and, if Option is Call, Call Spread, Put, Put Spread, or Forward, a weighted sum of another fixed percentage and an indexation (subject to gearing) to the value of the Underlying Reference(s); or*
- *if a Knock-in Event has not occurred a fixed percentage and, if Option is EDS, a weighted sum of another percentage and a further percentage that depends on how many Underlying Reference(s) in the basket have a value greater than the EDS Barrier Percentage, subject to gearing. When Gearing is positive the higher the number of Underlying Reference(s) with a value above this barrier the higher the percentage to be applied to the Notional Amount for determining the Final Payout.*
- *If a Knock-in Event has occurred, the Final Payout will have the same features described above and, possibly, different fixed percentages, constant percentages, gearing, Options and/or Underlying Reference(s).*
- *The Final Payout may be subject to a Global Cap and/or a Global Floor.*
- *Physical Delivery may also apply.*

(eee) **Multiple Final Payout – Hyper-Flexi Multi Knock-out Performance Securities**

If the Securities are specified in the applicable Final Terms as Multiple Final Payout – Hyper-Flexi Multi Knock-Out Performance Securities:

(A) if no Knock-Out Event has occurred:

i. if Global Cap 1 and Global Floor 1 are specified as not applicable in the applicable Final Terms:

Notional Amount × { Fixed Percentage 1 + [Sum (n = 1, 2, …, N) $W_{(n)}$ × (Constant Percentage$_{(n)}$ + Gearing$_{(n)}$ × Option$_{(n)}$)] }

ii. if Global Cap 1 is specified as applicable and Global Floor 1 is specified as not applicable in the applicable Final Terms:

Notional Amount × { Fixed Percentage 1 + Min [Sum (n = 1, 2, …, N) $W_{(n)}$ × (Constant Percentage$_{(n)}$ + Gearing$_{(n)}$ × Option$_{(n)}$) ; Global Cap 1] }

iii. if Global Cap 1 is specified as not applicable and Global Floor 1 is specified as applicable in the applicable Final Terms:

Notional Amount × { Fixed Percentage 1 + Max [Sum (n = 1, 2, …, N) $W_{(n)}$ × (Constant $Percentage_{(n)}$ + $Gearing_{(n)}$ × $Option_{(n)}$) ; Global Floor 1] }

iv. if Global Cap 1 and Global Floor 1 are specified as applicable in the applicable Final Terms:

Notional Amount × { Fixed Percentage 1 + Min [Max [Sum (n = 1, 2, …, N) $W_{(n)}$ × (Constant $Percentage_{(n)}$ + $Gearing_{(n)}$ × $Option_{(n)}$) ; Global Floor 1] ; Global Cap 1] }

(B) if a Knock-Out Event has occurred:

i. if Global Cap 2 and Global Floor 2 are specified as not applicable in the applicable Final Terms:

Notional Amount × { Fixed Percentage 2 + [Sum (j = 1, 2, …, J) $W_{(j)}$ × (Constant $Percentage_{(j)}$ + $Gearing_{(j)}$ × $Option_{(j)}$)] }

ii. if Global Cap 2 is specified as applicable and Global Floor 2 is specified as not applicable in the applicable Final Terms:

Notional Amount × { Fixed Percentage 2 + Min [Sum (j = 1, 2, …, J) $W_{(j)}$ × (Constant $Percentage_{(j)}$ + $Gearing_{(j)}$ × $Option_{(j)}$) , Global Cap 2] }

iii. if Global Cap 2 is specified as not applicable and Global Floor 2 is specified as applicable in the applicable Final Terms:

Notional Amount × { Fixed Percentage 2 + Max [Sum (j = 1, 2, …, J) $W_{(j)}$ × (Constant $Percentage_{(j)}$ + $Gearing_{(j)}$ × $Option_{(j)}$) , Global Floor 2] }

iv. if Global Cap 2 and Global Floor 2 are specified as applicable in the applicable Final Terms:

Notional Amount × { Fixed Percentage 2 + Min [Max [Sum (j = 1, 2, …, J) $W_{(j)}$ × (Constant $Percentage_{(j)}$ + $Gearing_{(j)}$ × $Option_{(j)}$) , Global Floor 2] ; Global Cap 2] }

where:

"**Fixed Percentage 1**" is as defined in the applicable Final Terms;

"**Fixed Percentage 2**" is as defined in the applicable Final Terms;

"**Global Cap 1**" is as defined in the applicable Final Terms;

"**Global Floor 1**" is as defined in the applicable Final Terms;

"**Global Cap 2**" is as defined in the applicable Final Terms;

"**Global Floor 2**" is as defined in the applicable Final Terms;

"**N**" is as defined in the applicable Final Terms;

"**n**" is as defined in the applicable Final Terms;

"**J**" is as defined in the applicable Final Terms;

"**Constant Percentage$_{n}$**" means the percentage specified as such in the applicable Final Terms;

"**Gearing$_{n}$**" is as defined in the applicable Final Terms;

"**Generic Percentage$_{(n,1)}$**" is as defined in the applicable Final Terms;

"**Generic Percentage$_{(n,2)}$**" is as defined in the applicable Final Terms;

"**Floor Percentage$_{(n)}$**" is as defined in the applicable Final Terms;

"**Loss Percentage$_{(n)}$**" is as defined in the applicable Final Terms;

"**Final Settlement Value$_{(n)}$**" means the value from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (G*reatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts)*, 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms

"**Strike Percentage$_{(n)}$**" is as defined in the applicable Final Terms;

"**Spread Percentage$_{(n)}$**" is as defined in the applicable Final Terms;

"**Option$_{n}$**" means Put$_{(n)}$, Put Spread$_{(n)}$, Call$_{(n)}$, Call Spread$_{(n)}$, EDS$_{(n)}$ or Forward$_{(n)}$ as specified in the applicable Final Terms;

"**EDS$_{(n)}$**" means Max (Floor Percentage$_{(n)}$, Min (Generic Percentage$_{(n,1)}$ – nEDS$_{(n)}$ × Loss Percentage$_{(n)}$, Generic Percentage $_{(n,2)}$));

"**Forward$_{(n)}$**" means Final Settlement Value$_{(n)}$ – Strike Percentage$_{(n)}$;

"**nEDS$_{(n)}$**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is (i) less than or equal to or (ii) less than or (iii)

greater than or equal to or (iv) greater than, as specified in the applicable Final Terms, EDS Barrier Percentage$_{(n)}$;

"**EDS Barrier Percentage$_{(n)}$**" is as defined in the applicable Final Terms;

"**Call$_{(n)}$**" means Max (Final Settlement Value$_{(n)}$ - Strike Percentage$_{(n)}$; Generic Percentage$_{(n,1)}$);

"**Call Spread$_{(n)}$**" means Min (Max (Final Settlement Value$_{(n)}$ – Strike Percentage$_{(n)}$; Generic Percentage$_{(n,1)}$); Spread Percentage$_{(n)}$);

"**Put$_{(n)}$**" means Max (Strike Percentage$_{(n)}$ – Final Settlement Value$_{(n)}$; Generic Percentage$_{(n,1)}$);

"**Put Spread$_{(n)}$**" means Min (Max (Strike Percentage$_{(n)}$ – Final Settlement Value$_{(n)}$; Generic Percentage$_{(n,1)}$); Spread Percentage$_{(n)}$);

"**Constant Percentage$_{j}$**" is as defined in the applicable Final Terms;

"**Gearing$_{j}$**" is as defined in the applicable Final Terms;

"**Generic Percentage $_{(j,1)}$** " is as defined in the applicable Final Terms;

"**Generic Percentage$_{(j,2)}$** " is as defined in the applicable Final Terms;

"**Floor Percentage$_{(j)}$** " is as defined in the applicable Final Terms;

"**Loss Percentage$_{(j)}$** " is as defined in the applicable Final Terms;

"**Final Settlement Value$_{(j)}$**" means the value from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (G*reatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts)*, 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms;

"**Strike Percentage$_{(j)}$** " is as defined in the applicable Final Terms;

"**Spread Percentage$_{(j)}$**" is as defined in the applicable Final Terms;

"**Option$_{j}$**" means Put$_{(j)}$, Put Spread$_{(j)}$, Call$_{(j)}$, Call Spread$_{(j)}$, EDS$_{(j)}$ or Forward$_{(j)}$ as specified in the applicable Final Terms;

"**EDS$_{(j)}$**" means Max (Floor Percentage$_{(j)}$, Min (Generic Percentage$_{(j,1)}$ – nEDS$_{(j)}$ × Loss Percentage$_{(j)}$, Generic Percentage $_{(j,2)}$));

"**Forward$_{(j)}$**" means Final Settlement Value$_{(j)}$ – Strike Percentage$_{(j)}$;

"**nEDS$_{(j)}$**" means the number of Underlying Reference(s) in the Basket in respect of which the Final Settlement Value is (i) less than or equal to or (ii) less than or (iii) greater than or equal to or (iv) greater than, as specified in the applicable Final Terms, EDS Barrier Percentage$_{(j)}$;

"**EDS Barrier Percentage$_{(j)}$** " is as defined in the applicable Final Terms;

"**Call$_{(j)}$**" means Max (Final Settlement Value$_{(j)}$ - Strike Percentage$_{(j)}$; Generic Percentage$_{(j,1)}$);

"**Call Spread$_{(j)}$**" means Min (Max (Final Settlement Value$_{(j)}$ – Strike Percentage$_{(j)}$; Generic Percentage$_{(j,1)}$); Spread Percentage$_{(j)}$);

"**Put$_{(j)}$**" means Max (Strike Percentage$_{(j)}$ – Final Settlement Value$_{(j)}$; Generic Percentage$_{(j,1)}$); and

"**Put Spread$_{(j)}$**" means Min (Max (Strike Percentage$_{(j)}$ – Final Settlement Value$_{(j)}$; Generic Percentage$_{(j,1)}$); Spread Percentage$_{(j)}$)

Description of the Final Payout

The Final Payout comprises:

- *if a Knock-out Event has not occurred, a fixed percentage and, if Option is Call, Call Spread, Put, Put Spread, or Forward, a weighted sum of another fixed percentage and an indexation (subject to gearing) to the value of the Underlying Reference(s); or*
- *if a Knock-out Event has not occurred a fixed percentage and, if Option is EDS, a weighted sum of another percentage and a further percentage that depends on how many Underlying Reference(s) in the basket have a value greater than the EDS Barrier Percentage, subject to gearing. When Gearing is positive the higher the number of Underlying Reference(s) with a value above this barrier the higher the percentage to be applied to the Notional Amount for determining the Final Payout.*
- *If a Knock-out Event has occurred, the Final Payout will have the same features described above and, possibly, different fixed percentages, constant percentages, gearing, Options and/or Underlying Reference(s).*
- *The Final Payout may be subject to a Global Cap and/or a Global Floor.*
- *Physical Delivery may also apply.*

(fff) **Multiple Final Payout – Capped and Floored Ratchet Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – Capped and Floored Ratchet Securities:

(i) if Local Cap is specified as not applicable in the applicable Final Terms:

Notional Amount × (Max (Sum (q = 1, 2, ..., Q) Max ((Constant Percentage 1 + Final Settlement $Value_{(q)}$ - Strike Percentage) , Local Floor Percentage) , Global Floor Percentage));

Or

Notional Amount × (Max (Sum (i = 1, 2, …, I) Sum (q = 1, 2, ..., Q) Max ((Constant Percentage 1 + Final Settlement $Value_{(i,q)}$ - Strike $Percentage_{(i,q)}$) , Local Floor $Percentage_{(i,q)}$) , Global Floor Percentage)) ;

(ii) if Local Cap is specified as applicable in the applicable Final Terms:

Notional Amount × (Max (Sum (q = 1, 2, ..., Q) Max (Min (Constant Percentage 1 + Final Settlement $Value_{(q)}$ - Strike Percentage , Local Cap Percentage) , Local Floor Percentage) , Global Floor Percentage));

Or

Notional Amount × (Max (Sum (q = 1, 2, ..., Q) Max (Min (Constant Percentage 1 + Final Settlement $Value_{(i,q)}$ - Strike $Percentage_{(i,q)}$, Local Cap $Percentage_{(i,q)}$) , Local Floor Percentage) , Global Floor Percentage));

Where

"**I**" is as defined in the relevant Final Terms;

"**Q**" is as defined in the relevant Final Terms.

Description of the Final Payout

The Final Payout provides a fixed percentage and an amount equal to the sum of the Final Settlement Values above the Strike Percentage with a Local Floor Percentage and possibly a Local Cap Percentage, subject to a floor of the Global Floor Percentage. The Final Settlement Values are calculated on each MFP Valuation Date during the MFP Valuation Period and each may be subject to a cap and/or a floor.

(ggg) **Multiple Final Payout – Weighted Mixed Payouts Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – Weighted Mixed Payouts Securities:

Notional Amount × (Constant Mixed Percentage + Sum (a = 1, 2, …, A) $PW_{(a)}$ Prod (b = 1, 2, …, B) Additional Final $Payout_{(a,b)}$)

where:

"**Constant Mixed Percentage**" is as defined in the relevant Final Terms;

"**PW**" is the relevant Additional Final Payout Weighting;

"**A**" is the number specified as such in the applicable Final Terms;

"**a**" is as defined in the applicable Final Terms;

"**B**" is the number specified as such in the applicable Final Terms.

"**b**" is as defined in the applicable Final Terms.

Description of the Final Payout

The Final Payout comprises a constant percentage and a weighted sum of two or more Final Payouts provided in the Conditions and specified in the applicable Final Terms.

(hhh) **Multiple Final Payout – Knock-In Mixed Payouts Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – Knock-In Mixed Payouts Securities:

(A) if no Knock-in Event has occurred:

Notional Amount × (Mixed Constant 1 + Mixed Gearing 1 × Additional Final Payout 1); or

(B) if a Knock-in Event has occurred:

Notional Amount × (Mixed Constant 2 + Mixed Gearing 2 × Additional Final Payout 2);

where:

"**Mixed Constant 1**" is as defined in the relevant Final Terms;

"**Mixed Constant 2**" is as defined in the relevant Final Terms;

"**Mixed Gearing 1**" is as defined in the relevant Final Terms;

"**Mixed Gearing 2**" is as defined in the relevant Final Terms.

Description of the Final Payout

The Final Payout comprises:

- *if no Knock-in Event occurs, a fixed percentage and geared indexation to the value of the Underlying Reference(s) through a Final Payout provided in the Conditions and specified in the applicable Final Terms*
- *if a Knock-in Event has occurred, a fixed percentage and geared indexation to the value of the Underlying Reference(s) through a possibly different Final Payout provided in the Conditions and specified in the applicable Final Terms*

(iii) **Multiple Final Payout – Knock-out Mixed Payouts Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – Knock-out Mixed Payouts Securities:

(A) if no Knock-out Event has occurred:

Notional Amount × (Mixed Constant 1 + Mixed Gearing 1 × Additional Final Payout 1); or

(B) if a Knock-out Event has occurred:

Notional Amount × (Mixed Constant 2 + Mixed Gearing 2 × Additional Final Payout 2);

where:

"**Mixed Constant 1**" is as defined in the relevant Final Terms;

"**Mixed Constant 2**" is as defined in the relevant Final Terms;

"**Mixed Gearing 1**" is as defined in the relevant Final Terms;

"**Mixed Gearing 2**" is as defined in the relevant Final Terms.

Description of the Final Payout

The Final Payout comprises:

- *if no Knock-out Event occurs, a fixed percentage and geared indexation to the value of the Underlying Reference(s) through a Final Payout provided in the Conditions and specified in the applicable Final Terms*
- *if a Knock-out Event has occurred, a fixed percentage and geared indexation to the value of the Underlying Reference(s) through a possibly different Final Payout provided in the Conditions and specified in the applicable Final Terms*

(jjj) **Multiple Final Payout – Max Mixed Payouts Securities**

If the Securities are specified in the applicable Final Terms as being Multiple Final Payout – Max Mixed Payouts Securities:

Notional Amount × (Constant Mixed Percentage + Max (a = 1, 2, …, A) Additional Final $\text{Payout}_{(a)}$)

where:

"**a**" is as defined in the applicable Final Terms;

"**A**" is the number specified as such in the applicable Final Terms;

"**Constant Mixed Percentage**" is as defined in the relevant Final Terms.

Description of the Final Payout

The Final Payout comprises a maximum of two or more Final Payouts provided in the Conditions and specified in the applicable Final Terms.

(kkk) **Multiple Final Payout – Leveraged Securities**

If the Securities are Fund Securities and are specified in the applicable Final Terms as being Leveraged Certificates:

Notional Amount × (Reference Level - Fixed Percentage)

where:

"**Reference Level**" means:

Reference Level_0 × (1 + Participation Factor × (Fund Level_t - Fund Level_0) / Fund Level_0 - (Participation Factor-1) × Fees_t)

"**Reference Level_0**" means the number (expressed as a percentage) specified in the Final Terms;

"**Fund Level_0**" means the Settlement Price of the relevant Underlying Reference(s) as of the Fixing Date;

"**Fund Level_t**" means the Settlement Price of the relevant Underlying Reference(s) as of the MFP Settlement Valuation Date;

"**Fixing Date**" means the Calculation Date immediately preceding the First Calculation Date;

"**Calculation Date**" means each day which is a Fund Business Day;

"**Day Count Fraction**" is as defined in the applicable Final Terms;

"**First Calculation Date**" means the date specified as such in the applicable Final Terms;

"**Fees_t**" means the cumulative leverage fee, expressed as a percentage and calculated by the Calculation Agent as the aggregate sum of the Fees Accrued during each Fees Accrual Period;

"**Fees Accrued**" means, in respect of a Fee Accrual Period, the fees accrued during such period, expressed as a percentage and calculated by the Calculation Agent as follows:

(Fee ISDA Rate + Fee Margin) × Day Count Fraction

"**Fee ISDA Rate**" means the floating rate determined according to the ISDA Determination under Security Condition 22(d)(i) as indicated in the applicable Final Terms;

"**Fee Margin**" is as defined in the applicable Final Terms;

"**Fee Accrual Period(s)**" means the periods commencing on (and including) the Fee Accrual Commencing Date up to (but excluding) the first Fee Accrual Date and each subsequent period

commencing on (and including) a Fee Accrual Date up to (but excluding) the next following Fee Accrual Date;

"**Fee Accrual Commencing Date**" is as defined in the applicable Final Terms;

"**Fee Accrual Date(s)**" is as defined in the relevant Final Terms;

"**Fixed Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Participation Factor**" is as defined in the applicable Final Terms.

Description of the Final Payout

The Final Payout comprises a leveraged indexation to the performance of the Underlying Reference(s) above the Fixed Percentage and net of any fees accrued, as calculated on each Fee Accrual Date(s) during the Fee Accrual Period(s).

(lll) **Single FI FX Vanilla Securities**

If the Securities are specified in the applicable Final Terms as being Single FI FX Vanilla Securities:

(i) if Knock-in Event is specified as applicable in the applicable Final Terms:

(A) if no Knock-in Event has occurred:

Notional Amount × FI Constant Percentage 1; or

(B) if a Knock-in Event has occurred:

Notional Amount × (FI Constant Percentage 1 + (Gearing × Option));

(ii) if Knock-in Event is specified as not applicable in the applicable Final Terms:

Notional Amount × (FI Constant Percentage 1 + (Gearing × Option));

(iii) if Knock-in Event and Knock-out Event are specified as applicable in the applicable Final Terms:

(A) if a Knock-in Event has occurred but a Knock-out Event has not occurred:

Notional Amount × (FI Constant Percentage 1 + (Gearing × Option));

(B) in all other cases:

Notional Amount × (FI Constant Percentage 1)

where:

"**Option**" means Max (Performance Value, Floor).

Description of the Final Payout

The Final Payout comprises:

- *if Knock-in Event is specified as applicable in the applicable Final Terms:*
  - *if no Knock-in event has occurred, a fixed percentage; or*
  - *if a Knock-in event has occurred, a fixed percentage plus an indexation (subject to Gearing) to the Underlying Reference(s), subject to a floor;*
- *if Knock-in Event is specified as not applicable in the applicable Final Terms, a fixed percentage plus an indexation (subject to Gearing) to the Underlying Reference(s), subject to a floor*
- *if Knock-in Event and Knock-out Event are specified as applicable in the applicable Final Terms:*
  - *if a Knock-in event has occurred but no Knock-out Event has occurred, a fixed percentage plus an indexation (subject to Gearing) to the Underlying Reference(s), subject to a floor; or*
  - *if a Knock-out Event has occurred, a fixed percentage.*

(mmm) **Single FI Digital Floor Securities**

If the Securities are specified in the applicable Final Terms as being Single FI Digital Floor Securities:

(i) if Knock-in Event is specified as applicable in the applicable Final Terms:

(A) if no Knock-in Event has occurred:

Notional Amount × FI Constant Percentage 1;

(B) if a Knock-in Event has occurred and the FI Digital Floor Condition is satisfied in respect of the relevant FI Settlement Valuation Date:

Notional Amount × (FI Constant Percentage 1 + Digital Floor Percentage 1); or

(C) if a Knock-in Event has occurred and the FI Digital Floor Condition is not satisfied in respect of the relevant FI Settlement Valuation Date:

Notional Amount × (FI Constant Percentage 1 + Digital Floor Percentage 2)

(ii) if Knock-in Event is specified as not applicable in the applicable Final Terms:

(A) if the FI Digital Floor Condition is satisfied in respect of the relevant FI Settlement Valuation Date:

Notional Amount × (FI Constant Percentage 1 + Digital Floor Percentage 1)

(B) if the FI Digital Floor Condition is not satisfied in respect of the relevant FI Settlement Valuation Date:

Notional Amount × (FI Constant Percentage 1 + Digital Floor Percentage 2)

(iii) if Knock-in Event and Knock-out Event are specified as applicable in the applicable Final Terms:

(A) if no Knock-in Event has occurred:

Notional Amount × FI Constant Percentage 1; or

(B) if a Knock-in Event has occurred but a Knock-out Event has not occurred and the FI Digital Floor Condition is satisfied in respect of the relevant FI Settlement Valuation Date:

Notional Amount × (FI Constant Percentage 1 + Digital Floor Percentage 1); or

(C) in all other cases:

Notional Amount × (FI Constant Percentage 1 + Digital Floor Percentage 2)

Description of the Final Payout

The Final Payout comprises:

- *if Knock-in Event is specified as applicable in the applicable Final Terms:*
  - *if no Knock-in event has occurred, a fixed percentage;*
  - *if a Knock-in event has occurred and the FI Digital Floor Condition is satisfied, a fixed percentage plus the Digital Floor Percentage 1; or*
  - *if a Knock-in event has occurred and the FI Digital Floor Condition is not satisfied, a fixed percentage plus the Digital Floor Percentage 2;*
- *if Knock-in Event is specified as not applicable in the applicable Final Terms:*
  - *if the FI Digital Floor Condition is satisfied, a fixed percentage plus the Digital Floor Percentage 1; or*
  - *if the FI Digital Floor Condition is not satisfied, a fixed percentage plus the Digital Floor Percentage 2;*
- *if Knock-in Event and Knock-out Event are specified as applicable in the applicable Final Terms:*
  - *if no Knock-in event has occurred, a fixed percentage;*
  - *if a Knock-in Event has occurred but a Knock-out Event has not occurred and the FI Digital Floor Condition is satisfied, a fixed percentage plus the Digital Floor Percentage 1; or*
  - *otherwise, a fixed percentage plus the Digital Floor Percentage 2.*

(nnn) **Single FI Digital Cap Securities**

If the Securities are specified in the applicable Final Terms as being Single FI Digital Cap Securities:

(i) if Knock-in Event is specified as applicable in the applicable Final Terms:

(A) if no Knock-in Event has occurred:

Notional Amount × FI Constant Percentage 1;

(B) if a Knock-in Event has occurred and the FI Digital Cap Condition is satisfied in respect of the relevant FI Settlement Valuation Date:

Notional Amount × (FI Constant Percentage 1+ Digital Cap Percentage 1); or

(C) if a Knock-in Event has occurred and the FI Digital Cap Condition is not satisfied in respect of the relevant FI Settlement Valuation Date:

Notional Amount × (FI Constant Percentage 1+ Digital Cap Percentage 2); or

(ii) if Knock-in Event is specified as not applicable in the applicable Final Terms:

(A) if the FI Digital Cap Condition is satisfied in respect of the relevant FI Settlement Valuation Date:

Notional Amount × (FI Constant Percentage 1 + Digital Cap Percentage 1); or

(B) if the FI Digital Cap Condition is not satisfied in respect of the relevant FI Settlement Valuation Date:

Notional Amount × (FI Constant Percentage 1 + Digital Cap Percentage 2); or

(iii) if Knock-in Event and Knock-out Event are specified as applicable in the applicable Final Terms:

(A) if no Knock-in Event has occurred:

Notional Amount × FI Constant Percentage 1; or

(B) if a Knock-in Event has occurred but a Knock-out Event has not occurred and the FI Digital Cap Condition is satisfied in respect of the relevant FI Settlement Valuation Date:

Notional Amount × (FI Constant Percentage 1 + Digital Cap Percentage 1); or

(C) in all other cases:

Notional Amount × (FI Constant Percentage 1 + Digital Cap Percentage 2).

Description of the Final Payout

The Final Payout comprises:

- *if Knock-in Event is specified as applicable in the applicable Final Terms:*
  - *if no Knock-in event has occurred, a fixed percentage;*
  - *if a Knock-in event has occurred and the FI Digital Cap Condition is satisfied, a fixed percentage plus the Digital Cap Percentage 1; or*
  - *if a Knock-in event has occurred and the FI Digital Cap Condition is not satisfied, a fixed percentage plus the Digital Cap Percentage 2;*
- *if Knock-in Event is specified as not applicable in the applicable Final Terms:*
  - *if the FI Digital Cap Condition is satisfied, a fixed percentage plus the Digital Cap Percentage 1; or*
  - *if the FI Digital Cap Condition is not satisfied, a fixed percentage plus the Digital Cap Percentage 2;*
- *if Knock-in Event and Knock-out Event are specified as applicable in the applicable Final Terms:*
  - *if no Knock-in event has occurred, a fixed percentage;*
  - *if a Knock-in Event has occurred but a Knock-out Event has not occurred and the FI Digital Cap Condition is satisfied, a fixed percentage plus the Digital Cap Percentage 1; or*
  - *otherwise, a fixed percentage plus the Digital Cap Percentage 2.*

(ooo) **Single FI Digital Plus Securities**

If the Securities are specified in the applicable Final Terms as being Single FI Digital Plus Securities:

(i) if Knock-in Event is specified as applicable in the applicable Final Terms:

(A) if, irrespective of whether a Knock-in Event has or has not occurred, the FI Digital Plus Condition is satisfied in respect of the relevant FI Settlement Valuation Date:

Notional Amount × (FI Constant Percentage 1 + Max (Digital Plus Percentage 1, (Gearing A × FI Digital Value))); or

(B) if no Knock-in Event has occurred and the FI Digital Plus Condition is not satisfied in respect of the relevant FI Settlement Valuation Date:

Notional Amount × FI Constant Percentage 1; or

(C) if a Knock-in Event has occurred and the FI Digital Plus Condition is not satisfied in respect of the relevant FI Settlement Valuation Date:

Notional Amount × (FI Constant Percentage 1 + Min (Digital Plus Percentage 2, Max ((Gearing B × FI Digital Value), FI Digital Floor Percentage)));

(ii) if Knock-in Event is specified as not applicable in the applicable Final Terms:

(A) if the FI Digital Plus Condition is satisfied in respect of the relevant FI Settlement Valuation Date:

Notional Amount × (FI Constant Percentage 1 + Max (Digital Plus Percentage 1, (Gearing A × FI Digital Value))); or

(B) if the FI Digital Plus Condition is not satisfied in respect of the relevant FI Settlement Valuation Date:

Notional Amount × (FI Constant Percentage 1 + Min (Digital Plus Percentage 2, Max ((Gearing B × FI Digital Value), FI Digital Floor Percentage)));

(iii) if Knock-in Event and Knock-out Event are specified as applicable in the applicable Final Terms:

(A) irrespective of whether a Knock-in Event and/or Knock-out Event has occurred, if the FI Digital Plus Condition is satisfied in respect of the relevant FI Settlement Valuation Date:

Notional Amount × (FI Constant Percentage 1 + Max (Digital Plus Percentage 1, (Gearing A × FI Digital Value))); or

(B) if a Knock-in Event has occurred but a Knock-out Event has not occurred and the FI Digital Plus Condition is not satisfied in respect of the relevant FI Settlement Valuation Date:

Notional Amount × (FI Constant Percentage 1 + Max (Digital Plus Percentage 2, Max ((Gearing B × FI Digital Value), FI Digital Floor Percentage))); or

(C) in all other cases:

Notional Amount × FI Constant Percentage 1.

Description of the Final Payout

The Final Payout comprises:

- *if Knock-in Event is specified as applicable in the applicable Final Terms:*
  - *if the FI Digital Plus Condition is satisfied (irrespective of whether a Knock-in Event has or has not occurred), a fixed percentage plus an indexation (subject to Gearing A) to the Underlying Reference, subject to a floor of the Digital Plus Percentage 1;*
  - *if no Knock-in event has occurred and the FI Digital Plus Condition is not satisfied, a fixed percentage plus the FI Constant Percentage 1; or*
  - *if a Knock-in event has occurred and the FI Digital Cap Condition is not satisfied, a fixed percentage plus the minimum between the Digital Plus Percentage 2 and the*

indexation (subject to Gearing B) to the Underlying Reference, subject to a floor of the FI Digital Floor Percentage;

- *if Knock-in Event is specified as not applicable in the applicable Final Terms:*
  - *if the FI Digital Plus Condition is satisfied, a fixed percentage plus an indexation (subject to Gearing A) to the Underlying Reference, subject to a floor of the Digital Plus Percentage 1; or*
  - *if the FI Digital Plus Condition is not satisfied, a fixed percentage plus the minimum between the Digital Plus Percentage 2 and the indexation (subject to Gearing B) to the Underlying Reference, subject to a floor of the FI Digital Floor Percentage;*
- *if Knock-in Event and Knock-out Event are specified as applicable in the applicable Final Terms:*
  - *if the FI Digital Plus Condition is satisfied (irrespective of whether a Knock-in Event has or has not occurred), a fixed percentage plus an indexation (subject to Gearing A) to the Underlying Reference, subject to a floor of the Digital Plus Percentage 1;*
  - *if a Knock-in Event has occurred but a Knock-out Event has not occurred and the FI Digital Plus Condition is not satisfied, a fixed percentage plus the maximum between the Digital Plus Percentage 2 and the indexation (subject to Gearing B) to the Underlying Reference, subject to a floor of the FI Digital Floor Percentage; or*
  - *otherwise, a fixed percentage plus the FI Constant Percentage 1.*

(ppp) **Continuous FX Wedding Cake Securities**

If the Securities are specified in the applicable Final Terms as being Continuous FX Wedding Cake Securities:

(A) If, at all times on each Observation Date during the Observation Period the Underlying Reference Level remains within Range 1:

Notional Amount × FXR_1

(B) If Range 2 is specified as applicable in the relevant Final Terms and, at all times on each Observation Date during the Observation Period, the Underlying Reference Level has, at least once, moved outside Range 1 but has remained within Range 2:

Notional Amount × FXR_2

(C) If Range n^{th} is specified as applicable in the relevant Final Terms and, at all times on each Observation Date during the Observation Period, the Underlying Reference Level has, at least once, moved outside Range 1, Range 2 and any other wider range (other than Range n^{th}) specified as applicable in the relevant Final Terms, but has remained within Range n^{th}

Notional Amount × FXR_n

(D) If none of the previous conditions has been met:

Notional Amount

where:

"**Range 1**" is as defined in the applicable Final Terms;

"**Range 2**" is as defined in the applicable Final Terms;

"**Range nth**" is as defined in the applicable Final Terms;

"**FXR_1**" means the percentage or the value specified in the applicable Final Terms;

"**FXR_2**" means the percentage or the value specified in the applicable Final Terms;

"**FXR_n**" means the percentage or the value specified in the applicable Final Terms.

Description of the Final Payout

The Final Payout comprises fixed percentages which vary in accordance with the fluctuation of the Underlying Reference *Level. In particular, on each Observation Date during the Observation Period, the Underlying Reference Level may remain in or move outside of certain ranges (Range 1, Range 2 and any other wider range (Range nth)), thus determining the applicable fixed percentage (respectively, FXR_1, FXR_2, FXR_n). If the Underlying Reference Level has at least once moved outside all the applicable ranges (therefore not satisfying any applicable condition) the Final Payout will be equal to the Notional Amount.*

(qqq) **Single FI Inflation Securities**

If the Securities are specified in the applicable Final Terms as being Single FI Inflation Securities:

Notional Amount × Max [Constant Percentage 1; Gearing × Inflation Rate]

Or

Notional Amount × Min [Constant Percentage 1; Max [Constant Percentage 2; Gearing × Inflation Rate]

Description of the Final Payout

The Final Payout will be equal to the Notional Amount multiplied by the greater of the 100% and the Cumulative Inflation Rate.

1.2 ***Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Payout Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities***

If Single Final Payout - Capitalised Call and Put Securities and/or Automatic Early Settlement Payout Capitalised Call and Put Securities 1 and/or Put Payout Capitalised Call and Put Securities are specified as applicable in the applicable Final Terms and the Certificates are not OET Certificates, the definitions set out below will apply. If the Certificates are OET Certificates, the definitions in Annex 13 (*Additional Terms and Conditions for OET Certificates*) will apply.

"**Capitalised Exercise Price**" or "**CEP_t**" means, in respect of a calendar day (day_t), an amount calculated as follows and rounded upwards or downwards in accordance with the Capitalised Exercise Price Rounding Rule specified in the applicable Final Terms, provided that in the case of Italian Listed Securities, CEP_t for any day from and including the Issue Date to and including the Listing Date shall be equal to the Exercise Prices:

$$CEP_t = CEP_{t-1} * (1 + \text{Financing Rate}_{t-1})^{1/360}$$

Except that:

(a) with respect to Share Securities, ETI Securities and Index Securities (where dividends on the Index Shares (as defined below) are not reinvested in the relevant Index), and where day_t is an Ex-Dividend Date, the Capitalised Exercise Price will be calculated as follows and rounded upwards or downwards in accordance with the Capitalised Exercise Price Rounding Rule specified in the applicable Final Terms:

$$CEP_t = CEP_{t-1} * (1 + \text{Financing Rate}_{t-1})^{1/360} – \text{Dividend Adjustment Amount}$$

(b) with respect to Rolling Futures Contract Securities, and where day_t is a Futures Rollover Date, the Capitalised Exercise Price will be calculated as follows and rounded upwards or downwards in accordance with the Capitalised Exercise Price Rounding Rule specified in the applicable Final Terms:

$$CEPt = CEPt\text{-}1 * (1 + \text{Financing Rate}_{t-1})^{1/360} – \text{Futures Rollover Adjustment Amount}$$

(c) with respect to Index Call Certificates (where dividends on the Index Shares (as defined below) are reinvested in the relevant Index), and where day_t is an Ex-Dividend Date, the Capitalised Exercise Price will be calculated as follows and rounded upwards or downwards in accordance with the Capitalised Exercise Price Rounding Rule specified in the applicable Final Terms:

$$CEPt = CEPt\text{-}1 * (1 + \text{Financing Rate}_{t-1})^{1/360} + \text{Applicable Withholding Tax}$$

for the purposes of this definition:

"**Applicable Withholding Tax**" means an amount calculated by the Calculation Agent equal to the taxes deducted or withheld at source by or on behalf of any applicable authority having the

power to tax in respect of the cash dividends and/or other cash distributions payable in respect of the relevant Index Share related to the Ex-Dividend Date pursuant to any applicable double taxation treaty or domestic law prevailing at the time of the distribution;

"**CEP_{t-1}**" means the Capitalised Exercise Price applicable on day_{t-1}, provided that the Capitalised Exercise Price applicable on the Issue Date shall be equal to the Exercise Price;

"**Dividend Adjustment Amount**" means, in respect of an Ex-Dividend Date, an amount determined by the Calculation Agent equal to:

(a) with respect to Call Certificates, (i) the sum of the cash dividends and/or other cash distributions payable in respect of the relevant Underlying Reference (or in the case of an Index, in respect of each Index Share (as defined below)) related to such Ex-Dividend Date less applicable taxes deducted or withheld at source by or on behalf of any applicable authority having power to tax in respect of such dividend pursuant to the applicable double taxation treaty or domestic law prevailing at the time of distribution, multiplied by (ii) the Dividend Percentage; or

(b) with respect to Put Certificates, (i) the sum of the gross cash dividends and/or other cash distributions payable in respect of the relevant Underlying Reference (or in the case of an Index, in respect of each Index Share) related to such Ex-Dividend Date multiplied by (ii) the Dividend Percentage;

"**Dividend Percentage**" means the percentage specified as such in the applicable Final Terms;

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

"**$Financing\ Rate_{t-1}$**" means, the Financing Rate applicable on day_{t-1};

"**Futures Rollover Adjustment Amount**" means an amount, which may be positive or negative, calculated by the Calculation Agent representing the cost to the Issuer and/or its Affiliates of unwinding its hedging arrangements in the Current Exchange-traded Contract or the relevant Futures Contract, as the case may be, less the cost to the Issuer and/or its Affiliates of establishing hedging arrangements in the next Current Exchange-traded Contract or Futures Contract, as the case may be, in each case in respect of the relevant Futures Rollover Date, such amount to be allocated *pro rata* amongst the Certificates.

The Capitalised Exercise Price will be made available (subject to technical failure) during normal business hours on any Local Business Day during the term of the Certificates, on the CEP Website(s) specified in the applicable Final Terms or such other website as may be notified to the Securityholders;

"**Conversion Rate**" means, in respect of a day, the rate of exchange (including any rates of exchange pursuant to which the relevant rate of exchange is derived) between the currency of the relevant Underlying Reference and the Settlement Currency, as specified as such in the applicable Final Terms on such day;

"**Ex-Dividend Date**" means, with respect to a Share, ETI Interest (in respect of which a dividend is paid) or share comprising an Index (an "**Index Share**"), the date on which such Share, ETI Interest or Index Share becomes "ex-dividend" as determined by the Calculation Agent;

"**Final Price**" means the Settlement Price or, in the case of Commodity Securities, the Relevant Price on the Valuation Date;

"**Final Price Early**" means the price of the relevant Underlying Reference, determined by the Calculation Agent:

(a) if the Securities are Italian Listed Securities as (i) in respect of a Call Certificate, the lowest Observation Price and (ii) in respect of a Put Certificate, the highest Observation Price, in each case determined by the Calculation Agent on the Automatic Early Settlement Valuation Date on which the relevant Automatic Early Settlement Event occurred; or

(b) if the Securities are not Italian Listed Securities, on the basis of the price obtained by unwinding any underlying related hedging arrangements in respect of the relevant Certificates during the three-hour period immediately following the occurrence of the relevant Automatic Early Settlement Event, provided that (i) the Final Price Early in respect of a Call Certificate will be no lower than the lowest Observation Price and (ii) the Final Price Early in respect of a Put Certificate will be no greater than the highest Observation Price, in each case determined by the Calculation Agent during such three-hour period, or otherwise, during the opening hours of the relevant exchange. With respect to Certificates relating to an Index, Share or ETI Interest, the above-mentioned three-hour period shall be counted during the opening hours of the relevant Exchange. Accordingly, if the period between the occurrence of the Automatic Early Settlement Event and the official closing time of the relevant Exchange is less than three hours, then the observation period shall extend to the following Relevant Business Day, until a full period of three hours has passed since the occurrence of the Automatic Early Settlement Event. With respect to Currency Securities and Commodity Securities, if a period during a Relevant Business Day is specified in the applicable Final Terms as the Observation Time and the period between the occurrence of the Automatic Early Settlement Event and the end of that period is less than the above mentioned three-hour period, then the observation period shall extend to the following Relevant Business Day beginning at 8:00 am (CET time) until a full period of three hours has passed since the occurrence of the Automatic Early Settlement Event;

"**Financing Rate**" means, if applicable, in respect of a calendar day (day_t), the rate calculated as

Financing Rate Percentage + Interbank Rate 1 – Interbank Rate 2;

"**Financing Rate Percentage**" means, in the case of Call Certificates, the positive rate and, in the case of Put Certificates, the negative rate, specified in the applicable Final Terms provided that the Calculation Agent may, acting in good faith and in a commercially reasonable manner select an alternative rate which must be within the Financing Rate Range. In the case of Securities which are traded on the Multilateral Trading Facility of securitised derivatives financial instruments (the "**SeDeX**"), organised and managed by Borsa Italiana such alternative rate will be notified by the Calculation Agent to Borsa Italiana and published on the website website www.mediobanca.com;

"**Financing Rate Range**" means the range specified as such in the applicable Final Terms;

"**Interbank Rate 1**" means the offered quotation which appears on the Interbank Rate 1 Screen Page at the Interbank Rate 1 Specified Time on day_t as determined by the Calculation Agent. In the event that the Interbank Rate 1 Screen Page is not available or no such offered quotation appears, the Calculation Agent will determine the Interbank Rate 1 as the rate it determines would have prevailed but for such non-availability or other event acting in good faith and in a commercially reasonable manner;

"**Interbank Rate 1 Screen Page**" means the source specified in the applicable Final Terms;

"**Interbank Rate 1 Specified Time**" means the time specified in the applicable Final Terms or, if no such time is specified, the customary time as of which the relevant Interbank Rate 1 is published;

"**Interbank Rate 2**" means the offered quotation which appears on the Interbank Rate 2 Screen Page at the Interbank Rate 2 Specified Time on day_t as determined by the Calculation Agent. In the event that the Interbank Rate 2 Screen Page is not available or no such offered quotation appears, the Calculation Agent will determine the Interbank Rate 2 as the rate it determines would have prevailed but for such non-availability or other event acting in good faith and in a commercially reasonable manner;

"**Interbank Rate 2 Screen Page**" means the source specified in the applicable Final Terms;

"**Interbank Rate 2 Specified Time**" means the time specified in the applicable Final Terms or, if no such time is specified, the customary time as of which the relevant Interbank Rate 2 is published;

"**Local Business Day**" means a day (other than a Saturday or a Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the Local Business Day Centre(s) specified in the applicable Final Terms;

"**Observation Price**" means the "official level", "opening price", "official close", "closing price", "purchase price", "sale price", "last price", "bid price", "asked price", "traded price", "official settlement price", "daily settlement price" as specified in the applicable Final Terms, of the Underlying Reference published by the Observation Price Source as determined by the Calculation Agent at the Observation Time(s);

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

"**Observation Time(s)**" means the time(s) or period(s) of observation specified as such in the applicable Final Terms;

"**Parity**" means the number specified as such in the applicable Final Terms;

"**Relevant Business Day**" means, unless otherwise specified in the applicable Final Terms, an Exchange Business Day (in respect of Certificates other than Commodity Securities or Currency Securities), a Commodity Business Day (in respect of Commodity Securities) or a Scheduled Trading Day (in respect of Currency Securities), as applicable;

"**Reset Date**" means, unless otherwise specified in the applicable Final Terms, each calendar day in the period from and excluding the Issue Date to and including the Settlement Date;

"**Security Percentage**" means the percentage specified as such in the applicable Final Terms. Other than in the case of Securities which are Italian Listed Securities, the Security Percentage may be adjusted by the Calculation Agent on each Reset Date in order to take into account changes in market conditions (including, in particular, volatility), provided that the adjusted Security Percentage (a) unless the Security Percentage is equal to zero, falls between the "Minimum Security Percentage" and the "Maximum Security Percentage" specified in the applicable Final Terms and (b) does not trigger the occurrence of an Automatic Early Settlement Event;

"**Security Threshold**" means the amount calculated as follows by the Calculation Agent and rounded upwards or downwards in accordance with the Security Threshold Rounding Rule specified in the applicable Final Terms:

(a) in the case of Call Certificates, an amount equal to the product, rounded in accordance with the Security Threshold Rounding Rule specified in the applicable Final Terms, of (i) the Capitalised Exercise Price as at the relevant Reset Date and (ii) one, plus the Security Percentage; and

(b) in the case of Put Certificates, an amount equal to the product, rounded in accordance with the Security Threshold Rounding Rule, (i) of the Capitalised Exercise Price as at the relevant Reset Date and (ii) one, minus the Security Percentage.

The Security Threshold calculated pursuant to the foregoing shall, subject as provided below, be published for information purposes only (subject to technical problems) during normal business hours on any Local Business Day during the term of the relevant Certificates on the CEP Website(s) specified in the applicable Final Terms or such other website as may be notified to the Securityholders. If the Securities are Italian Listed Securities the Security Threshold on the Issue Date shall be specified in the applicable Final Terms;

The Security Threshold, from time to time, calculated by the Calculation Agent shall prevail over the Security Threshold published on the CEP Website(s), which is published for information purposes only and may subsequently be corrected should the amount published differ from the Security Threshold calculated by the Calculation Agent;

"**Settlement Currency**" means Euro, unless otherwise specified in the applicable Final Terms;

"**Underlying Reference**" means the relevant Index, Share, ETI Interest, Commodity, Alternative Currency, Debt Instrument or other basis of reference to which the relevant Certificates relate, as specified in the applicable Final Terms; and

"**Valuation Date**" means:

(a) the date specified in the applicable Final Terms as the Single Final Payout - Capitalised Call and Put Securities Final Valuation Date and the provisions of (a)(i), (a)(ii), (a)(iii) or (a)(iv), as applicable, of the definition of "Valuation Date" in Security Condition 3 (*Definitions)* shall apply if any such day is a Disrupted Day and, in the case of Commodity Securities, the provisions of the definition of "Pricing Date" in the Commodity Security Conditions will apply if such day is a Commodity Disrupted Day; or

(b) if Automatic Early Settlement is specified as being applicable in the applicable Final Terms and an Automatic Early Settlement Event occurs, the Relevant Automatic Early Settlement Valuation Date,

in each case, subject to adjustment in accordance with the relevant Conditions.

2. AUTOMATIC EARLY SETTLEMENT PAYOUTS

2.1 Automatic Early Settlement Payouts Formulas

If Automatic Early Settlement is specified as applicable in the applicable Final Terms and an Automatic Early Settlement Event occurs, the following Automatic Early Settlement payouts (each an "**Automatic Early Settlement Payout**") shall apply to the Securities if specified in the applicable Final Terms:

(a) **Automatic Early Settlement Payout Capitalised Call and Put Securities 1**

If Automatic Early Settlement Payout Capitalised Call and Put Securities 1 is specified as applicable in the applicable Final Terms:

(i) if the Securities are specified in the applicable Final Terms as being Call Securities:

$$\text{Max}\left(0;\ \left(\frac{\text{Final Price Early} - \text{Capitalised Exercise Price}}{\text{Parity} \times \text{Conversion Rate Early}}\right)\right);$$

(ii) if the Securities are specified in the applicable Final Terms as being Put Securities:

$$\text{Max}\left(0;\ \left(\frac{\text{Capitalised Exercise Price} - \text{Final Price Early}}{\text{Parity} \times \text{Conversion Rate Early}}\right)\right).$$

The additional definitions relating to the Automatic Early Settlement Payout Capitalised Call and Put Securities 1 are contained in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Payout Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*).

(b) **Automatic Early Settlement Payout Capitalised Call and Put Securities 2.**

If Automatic Early Settlement Payout Capitalised Call and Put Securities 2 is specified as applicable in the applicable Final Terms, 0 (zero).

(c) **SFP Automatic Early Settlement Payout**

If SFP Automatic Early Settlement Payout is specified as applicable in the applicable Final Terms:

Notional Amount × [Constant AES Percentage + Premium Percentage × i].

Where "**Constant AES Percentage**" has the meaning given the applicable Final Terms

(d) **MFP Automatic Early Settlement Payout**

If MFP Automatic Early Settlement Payout is specified in the applicable Final Terms, the Automatic Early Settlement Payout shall be:

NA × (AES Settlement Percentage + AES Exit Rate)

Or

NA × {[Max (AES Settlement Percentage 1 + Gearing × Max (AES Settlement Percentage 2 – MFP AES Value; Floor Percentage 1)); Floor Percentage 2] + Premium Percentage × DCF}

"DCF" is (i) the number of calendar days between the MFP Valuation Date indicated in the applicable Final Terms (included) and the Automatic Early Settlement Valuation Date on which the Automatic Early Settlement Event occurs (excluded), multiplied by the Day Count Fraction or (ii) as defined in the applicable Final Terms.

provided that if specified in the applicable Final Terms the MFP Automatic Early Settlement Payout will be subject to a cap of the Maximum MFP Automatic Early Settlement Payout and/or a floor of the Minimum MFP Automatic Early Settlement Payout, in each case specified in the applicable Final Terms.

Where:

"**AES up Rate**" means:

(a) if Cap is specified as applicable in the applicable Final Terms:

Min (Max (ES Floor Percentage$_{(i)}$, ES Gearing$_{(i)}$ × (ES Value$_{(i)}$ - ES Strike Percentage$_{(i)}$) + ES Spread$_{(i)}$), ES Cap Percentage$_{(i)}$) + ES Constant Percentage$_{(i)}$

or

Min (ES Gearing$_{(i)}$ × (ES Value$_{(i)}$ - ES Strike Percentage$_{(i)}$) + ES Spread$_{(i)}$, ES Cap Percentage$_{(i)}$) + ES Constant Percentage$_{(i)}$

(b) if Cap is specified as not applicable in the applicable Final Terms:

Max (ES Floor Percentage$_{(i)}$, ES Gearing$_{(i)}$ × (ES Value$_{(i)}$ - ES Strike Percentage$_{(i)}$) + ES Spread$_{(i)}$) + ES Constant Percentage$_{(i)}$,

or

ES Gearing$_{(i)}$ × (ES Value$_{(i)}$ - ES Strike Percentage$_{(i)}$) + ES Spread$_{(i)}$ + ES Constant Percentage$_{(i)}$

"**AES Calculation Period**" means the period from (and including) the Remuneration Payment Date, as applicable, immediately preceding the Automatic Early Settlement Date (or if none the Issue Date) to (but excluding) the Automatic Early Settlement Date;

"**AES CSN Rate**" means a percentage calculated as the product of the AES Rate and the applicable AES Day Count Fraction;

"**AES Day Count Fraction**" means the Day Count Fraction specified as such in the applicable Final Terms;

"**AES Exit Rate**" means, in respect of a MFP ES Valuation Date or MFP ES Valuation Period, any of AES Rate, AES up Rate or AES CSN Rate as specified in the applicable Final Terms;

"**AES Rate(s)**" is as defined in Security Condition 17.5(c);

"**AES Settlement Percentage**" means the percentage specified as such in the applicable Final Terms;

"**AES Settlement Percentage 1**" means the percentage specified as such in the applicable Final Terms;

"**AES Settlement Percentage 2**" means the percentage specified as such in the applicable Final Terms;

"**AES Reference Rate**" means the floating rate specified as such in the applicable Final Terms;

"**ES Cap Percentage**" means, in respect of a MFP ES Valuation Date or MFP ES Valuation Period, the percentage specified as such in the applicable Final Terms;

"**ES Constant Percentage**" means, in respect of a MFP ES Valuation Date or MFP ES Valuation Period, the percentage specified as such in the applicable Final Terms;

"**ES Floor Percentage**" means, in respect of a MFP ES Valuation Date or MFP ES Valuation Period, the percentage specified as such in the applicable Final Terms;

"**ES Gearing**" means, in respect of a MFP ES Valuation Date or MFP ES Valuation Period, the percentage specified as such in the applicable Final Terms;

"**ES Spread**" means, in respect of a MFP ES Valuation Date or MFP ES Valuation Period, the percentage specified as such in the applicable Final Terms;

"**ES Strike Percentage**" means, in respect of a MFP ES Valuation Date or MFP ES Valuation Period, the percentage specified as such in the applicable Final Terms;

"**ES Value**" means, in respect of a MFP ES Valuation Date or MFP ES Valuation Period, the value from from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (*Greatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts)*, 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms

"**MFP ES Valuation Date**" means each Averaging Date, Valuation Date, Pricing Date and/or Settlement Price Date specified as such in the applicable Final Terms; and

"**MFP ES Valuation Period**" means each period specified as such in the applicable Final Terms.

(e) **Leveraged Certificates Automatic Early Settlement Payout**

If Leveraged Certificates Automatic Early Settlement Payout is specified in the applicable Final Terms, the Automatic Early Settlement Payout in relation to each relevant Certificate shall be:

$$\frac{\text{Net Proceeds}}{\text{Number of Certificates issued}}$$

If the Automatic Early Settlement Amount is not an amount in the Settlement Currency if

specified in the applicable Final Terms, it will be converted into the Settlement Currency at the Exchange Rate specified in the applicable Final Terms

Unless "Rounding" is specified in the relevant Final Terms as not applicable, the Leveraged Certificates Automatic Early Settlement Payout shall be rounded to the nearest sub-unit of the relevant Settlement Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

provided that if specified in the applicable Final Terms the Leveraged Certificates Automatic Early Settlement Payout will be subject to a cap of the Maximum Leveraged Certificates Automatic Early Settlement Payout and/or a floor of the Minimum Leveraged Certificates Automatic Early Settlement Payout, in each case specified in the applicable Final Terms.

Where:

"**Net Proceeds**" means the proceeds which the Issuer has actually received from the sale of all the shares or quotas held by it in the Underlying Reference, net of any costs, expenses or taxes incurred by the Issuer in connection with such sale.

(f) **Target Automatic Early Settlement Payout**

If Target Automatic Early Settlement Payout is specified as applicable in the applicable Final Terms,

NA × (Constant TAES Percentage + Final Remuneration Rate);

Where "**Constant TAES Percentage**" has the meaning given the applicable Final Terms

(g) **FI Underlying Automatic Early Settlement Payout**

If FI Underlying Automatic Early Settlement Payout is specified as applicable in the applicable Final Terms,

NA

(h) **FI Coupon Automatic Early Settlement Payout**

If FI Coupon Automatic Early Settlement Payout is specified as applicable in the applicable Final Terms,

NA × (FI CAES Percentage + (Min (Coupon Cap, Final Coupon Rate) × Final Day Count Fraction)).

Where "**FI CAES Percentage**" has the meaning given the applicable Final Terms

3. SECURITYHOLDER PUT OPTION PAYOUTS

3.1 Securityholder Put Option Payouts Formulas

The following Securityholder Put Option Payouts (each a "**Put Payout**") shall apply to the Securities if specified in the applicable Final Terms:

(a) **Put Payout Forex DivReinvested Fees Securities 1**

If Put Payout Forex DivReinvested Fees Securities 1 is specified as applicable in the applicable Final Terms:

CV in respect of the relevant Optional Settlement Valuation Date.

The Calculation Agent will calculate "**CV**" on each CV Calculation Day in accordance with the following formula:

$$CV_{(t-1)} \times AF_{(t)} \times \frac{UR_{(t)} \times Fx_{(t)}}{UR_{(t-1)} \times Fx_{(t-1)}}$$

where:

"**$ACT_{(t,t-1)}$**" means, in respect of a CV Calculation Day, the number of calendar days between the ACT Day corresponding with such CV Calculation Day and the immediately preceding ACT Day;

"**ACT Day**" means each CV Calculation Day;

"**$AF_{(t)}$**" means, in respect of a CV Calculation Day:

$$[1 + \text{Reference Rate}_{(t-1)} - \text{Management Fee Rate}] \frac{\text{ACT}(t,t-1)}{360} \times \textit{div reinvested factor}_{(t)} \times \textit{Rollover Ratio}_{(t)}$$

"**$CV_{(0)}$**" means the amount or percentage specified as such in the applicable Final Terms;

"**$CV_{(t-1)}$**" means, in respect of a CV Calculation Day, CV in respect of the immediately preceding CV Calculation Day or if none, $CV_{(0)}$;

"**CV Calculation Day**" means each Scheduled Trading Day, Commodity Business Day or calendar day as specified in the applicable Final Terms from (but excluding) the Issue Date to (and including) the last day on which any Security of the series is outstanding;

"**Div Percentage**" means the percentage specified as such in the applicable Final Terms;

"**div reinvested factor$_{(t)}$**" means:

(i) if the Underlying Reference is a Share or an Index (where in the determination of the Calculation Agent dividends on the constituent share are not reinvested in the Index),

$$\left[1 + Div\ Percentage \times \frac{Gross\ div_{(t)}}{UR_{(t-1)}}\right]$$; or

(ii) otherwise, 1;

"**$Fx_{(0)}$**" means Exchange Rate Initial;

"**$Fx_{(t)}$**" means, in respect of a CV Calculation Day, the Exchange Rate on such CV Calculation Day;

"**$Fx_{(t-1)}$**" means, in respect of a CV Calculation Day, the Exchange Rate on the immediately preceding CV Calculation Day or if none, Exchange Rate Initial;

"**Futures Rollover Adjustment Ratio**" means, in respect of a CV Calculation Day, a positive amount calculated by the Calculation Agent equal to (i) the cost to the Issuer and/or its Affiliates of unwinding its hedging arrangements in relation to the preceding Current Exchange-traded Contract divided by (ii) the cost to the Issuer and/or its Affiliates of establishing hedging arrangements in relation to the Current Exchange-traded Contract, in each case in respect of the relevant Futures Rollover Date, such amount to be allocated *pro rata* among the Securities of the series;

"**Gross $div_{(t)}$**" means (i) if the Underlying Reference is a Share, any ordinary cash dividends (before deduction of any taxes or application of withholding at source by or on behalf of any applicable authority having the power to tax in respect of such dividends and without any tax credit refund or deduction granted by any applicable authority having the power to tax in respect of such dividends) ex-dividend at date *t* and effectively paid or (ii) if the Underlying Reference is an Index, any ordinary cash dividends (before deduction of any taxes or application of withholding at source by or on behalf of any applicable authority having the power to tax in respect of such dividends and without any tax credit refund or deduction granted by any applicable authority having the power to tax in respect of such dividends) ex-dividend at date *t* on any constituent share in such Index at date *t*, taking into account the weight of such constituent share at date *t-1* and effectively paid;

"**Management Fee Rate**" means the percentage specified as such in the applicable Final Terms;

"**Reference $Rate_{(t-1)}$**" means, in respect of a CV Calculation Day, (i) if the Securities are Rolling Futures Contract Securities, the interest rate specified in the applicable Final Terms as applicable on the CV Calculation Day immediately preceding such CV Calculation Day or (ii) otherwise, 0;

"**Rollover $Ratio_{(0)}$**" equals 1;

"**Rollover $Ratio_{(t)}$**" means, in respect of a CV Calculation Day, (i) if the Securities are Rolling Futures Contract Securities and such CV Calculation Day is a Futures Rollover Date, the Futures Rollover Adjustment Ratio or (ii) otherwise, 1;

"**$UR_{(0)}$**" means the Settlement Price of the Underlying Reference on the Strike Date;

"**$UR_{(t)}$**" means, in respect of a CV Calculation Day, the Settlement Price on such CV Calculation Day;

"**$UR_{(t-1)}$**" means, in respect of a CV Calculation Day, the Settlement Priceon the CV Calculation Day immediately preceding such CV Calculation Day;

"**Optional Settlement Valuation Date**" means the date specified in the applicable Final Terms, provided that if the Securities are Index Securities in respect of which "Futures Price Valuation" is specified as applicable in the applicable Final Terms, if the Settlement Price is

not available in respect of a CV Calculation Day (other than as a result of a Non-Commencement or Discontinuance of an Exchange-traded Contract), the Calculation Agent will determine the Settlement Price for such CV Calculation Day acting in good faith and in a commercially reasonable manner by reference to such source(s) as it considers appropriate.

Description of the Put Payout

The Put Payout replicates the performance of the Underlying Reference less certain amounts (including, but not limited to, fees (including quanto fees and management fees), dividends paid (if applicable) and roll fees depending on the Underlying Reference).

(b) **Put Payout Capitalised Call and Put Securities**

If Put Payout Capitalised Call and Put Securities is specified as applicable in the applicable Final Terms:

(i) if the Securities are specified in the applicable Final Terms as being Call Securities:

$$\text{Max}\left(0; \left(\frac{\text{Final Price} - \text{Capitalised Exercise Price}}{\text{Parity} \times \text{Conversion Rate Early}}\right)\right)$$

(ii) if the Securities are specified in the applicable Final Terms as being Put Securities:

$$\text{Max}\left(0; \left(\frac{\text{Capitalised Exercise Price} - \text{Final Price}}{\text{Parity} \times \text{Conversion Rate Early}}\right)\right)$$

The additional definitions relating to the Put Payout Capitalised Call and Put Securities are contained in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Payout Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities).*

(c) **Put Payout Leverage Factor Securities**

If Put Payout Leverage Factor Securities is specified as applicable in the applicable Final Terms, the Put Payout shall be calculated on the same basis as Single Final Payout - Leverage Factor Securities, save that references to "Valuation Date" therein and in the related provisions shall be deemed to be references to "the relevant Optional Settlement Valuation Date".

(d) **MFP Put Payout**

If MFP Put Payout is specified in the applicable Final Terms, the Put Payout will be:

NA × (MFP Put Settlement Percentage+ MFP Put Exit Rate)

provided that if specified in the applicable Final Terms the MFP Put Payout will be subject to a cap of the Maximum MFP Put Payout and/or a floor of the Minimum MFP Put Payout, in each case specified in the applicable Final Terms.

Where:

"**MFP Put Up Rate**" means:

(i) if Cap is specified as applicable in the applicable Final Terms:

Min (Max (MFP Put Floor Percentage, MFP Put Gearing × (MFP Put Value – MFP Put Strike Percentage) + MFP Put Spread Percentage), MFP Put Cap Percentage) + MFP Put Constant Percentage

Or

Min (MFP Put Gearing × (MFP Put Value - MFP Put Strike Percentage) + MFP Put Spread Percentage, MFP Put Cap Percentage) + MFP Put Constant Percentage

(ii) if Cap is specified as not applicable in the applicable Final Terms:

Max (MFP Put Floor Percentage, MFP Put Gearing × (MFP Put Value - MFP Put Strike Percentage) + MFP Put Spread Percentage) + MFP Put Constant Percentage

Or

MFP Put Gearing × (MFP Put Value - MFP Put Strike Percentage) + MFP Put Constant Percentage

"**MFP Put Calculation Period**" means the period from (and including) the Remuneration Payment Date, as applicable, immediately preceding the relevant Optional Settlement Date (Put) (or if none the Issue Date) to (but excluding) the relevant Optional Settlement Date (Put);

"**MFP Put Cap Percentage**" means the percentage specified as such in the applicable Final Terms;

"**MFP Put Constant Percentage**" means the percentage specified as such in the applicable Final Terms;

"**MFP Put CSN Rate**" means a percentage calculated as the product of the MFP Put Rate and the applicable Day Count Fraction;

MFP Put Exit Rate" means any of MFP Put Rate, MFP Put up Rate or MFP Put CSN Rate as specified in the applicable Final Terms;

"**MFP Put Floor Percentage**" means the percentage specified as such in the applicable Final Terms;

"**MFP Put Gearing**" means the percentage specified as such in the applicable Final Terms;

"**MFP Put Rate**" means the rate specified as such or determined in the manner set out in, the applicable Final Terms. If the applicable Final Terms specify that the MFP Put Rate is to be determined by reference to a Screen Rate, the MFP Put Rate shall be calculated pursuant to

Security Condition 17.5(d) (*AES Rate Determination*), as applicable, save that references therein to "AES" shall be deemed to be references to "Put";

"**MFP Put Settlement Percentage**" means the percentage specified as such in the applicable Final Terms;

"**MFP Put Reference Rate**" means the floating rate specified as such in the applicable Final Terms;

"**MFP Put Spread Percentage**" means the percentage specified as such in the applicable Final Terms;

"**MFP Put Strike Percentage**" means the percentage specified as such in the applicable Final Terms;

"**MFP Put Value**" means, in respect of a MFP Put Valuation Date or MFP Put Valuation Period, the value from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (G*reatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts)*, 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms;

"**MFP Put Valuation Date**" means each Averaging Date, Valuation Date, Pricing Date and/or Settlement Price Date specified as such in the applicable Final Terms;

"**MFP Put Valuation Period**" means each period specified as such in the applicable Final Terms.

(e) **Leveraged Certificates Put Payout**

If the Securities are Fund Securities and Leveraged Certificates Put Payout is specified in the applicable Final Terms, the Put Payout will be:

Notional Amount × Reference Level - Fixed Percentage

provided that, if so specified in the applicable Final Terms, in no circumstances the Leveraged Certificates Put Payout shall exceed the proceeds received by the Issuer from the unwinding of its exposure to the Underlying Reference.

where

"**Reference Level**" means:

Reference Level_0 × (1 + Participation Factor × (Fund Level_t - Fund Level_0) / Fund Level_0 - (Participation

Factor-1) × $Fees_t$)

"**Reference $Level_0$**" means the number (expressed as a percentage) specified in the Final Terms;

"**Fixed Percentage**" means the percentage specified as such in the applicable Final Terms,

"**Fund $Level_0$**" means the Settlement Price of the relevant Underlying Reference(s) as of the Fixing Date;

"**Fund $Level_t$**" means the Settlement Price of the relevant Underlying Reference(s) as of the Optional Settlement Valuation Date;

"**Optional Settlement Valuation Date**" means each date specified as such in the applicable Final Terms or, if such date is not a Fund Business Day the next following Fund Business Day;"

"**Fixing Date**" means the Calculation Date immediately preceding the First Calculation Date;

"**Calculation Date**" means each day which is a Fund Business Day;

"**First Calculation Date**" means the date specified as such in the applicable Final Terms;

"**$Fees_t$**" means the cumulative leverage fee, expressed as a percentage and calculated by the Calculation Agent as the aggregate sum of the Fees Accrued during each Fees Accrual Period;

"**Fees Accrued**" means, in respect of a Fee Accrual Period, the fees accrued during such period, expressed as a percentage and calculated by the Calculation Agent as follows:

(Fee ISDA Rate + Fee Margin) × Day Count Fraction

"**Fee ISDA Rate**" means the floating rate determined according to the ISDA Determination under Security Condition 22(d)(i) as indicated in the applicable Final Terms;

"**Fee Margin**" is as defined in the applicable Final Terms;

"**Fee Accrual Period(s)**" means the periods commencing on (and including) the Fee Accrual Commencing Date up to (but excluding) the first Fee Accrual Date and each subsequent period commencing on (and including) a Fee Accrual Date up to (but excluding) the next following Fee Accrual Date, provided that the last Fee Accrual Period shall be deemed to end (but exclude) on the number of Calculation Dates indicated in the applicable Final Terms following the day on which the Issuer has received the Put Option Exercise Notice;

"**Fee Accrual Commencing Date**" is as defined in the applicable Final Terms;

"**Fee Accrual Date(s)**" is as defined in the relevant Final Terms;

"**Participation Factor**" is as defined in the applicable Final Terms;

"**Day Count Fraction**" is as defined in the applicable Final Terms.

4. ISSUER CALL OPTION PAYOUTS

4.1 Issuer Call Option Payouts Formulas

The following Issuer Call Option Payout (a "**Call Payout**") shall apply to the Securities if specified in the applicable Final Terms and, if a Call Option Condition is indicated as applicable in the relevant Final Terms, subject to the occurrence of a Call Option Event:

(a) **Call Payout Forex DivReinvested Fees Securities 1**

If Call Payout Forex DivReinvested Fees Securities 1 is specified as applicable in the applicable Final Terms, the Call Payout shall be calculated on the same basis as Put Payout Forex DivReinvested Fees Securities 1, save that references to Put Payout Forex DivReinvested Fees Securities 1 shall be deemed to be references to Call Payout Forex DivReinvested Fees Securities 1.

(b) **Call Payout Capitalised Call and Put Securities**

If Call Payout Capitalised Call and Put Securities is specified as applicable in the applicable Final Terms, the Call Payout shall be calculated on the same basis as Put Payout Capitalised Call and Put Securities, save that references to Put Payout Capitalised Call and Put Securities shall be deemed to be references to Call Payout Capitalised Call and Put Securities.

(c) **Call Payout Leverage Factor Securities**

If Call Payout Leverage Factor Securities is specified as applicable in the applicable Final Terms, the Call Payout shall be calculated on the same basis as Single Final Payout - Leverage Factor Securities, save that references to "Valuation Date" therein and in the related provisions shall be deemed to be references to "the relevant Optional Settlement Valuation Date" or "the relevant Optional Condition Settlement Valuation Date (Call) as indicated in the applicable Final Terms"

(d) **MFP Call Payout**

If MFP Call Payout is specified in the applicable Final Terms, the Call Payout will be:

NA × (MFP Call Settlement Percentage + MFP Call Exit Rate),

provided that if specified in the applicable Final Terms the MFP Call Payout will be subject to a cap of the Maximum MFP Call Payout and/or a floor of the Minimum MFP Call Payout, in each case specified in the applicable Final Terms.

Where:

"**Maximum MFP Call Payout**" means the amount specified as such in the applicable Final Terms;

"**MFP Call Up Rate**" means:

(i) if Cap is specified as applicable in the applicable Final Terms:

Min (Max (MFP Call Floor Percentage, MFP Call Gearing × (MFP Call Value – MFP Call Strike Percentage) + MFP Call Spread Percentage), MFP Call Cap Percentage) + MFP Call Constant Percentage;

or

Min (MFP Call Gearing × (MFP Call Value – MFP Call Strike Percentage) + MFP Call Spread Percentage, MFP Call Cap Percentage) + MFP Call Constant Percentage

(ii) if Cap is specified as not applicable in the applicable Final Terms:

Max (MFP Call Floor Percentage, MFP Call Gearing × (MFP Call Value – MFP Call Strike Percentage) + MFP Call Spread Percentage) + MFP Call Constant Percentage;

or

MFP Call Gearing × (MFP Call Value – MFP Call Strike Percentage) + MFP Call Constant Percentage

"**MFP Call Calculation Period**" means the period from (and including) the Remuneration Payment Date, as applicable, immediately preceding the Optional Settlement Date (Call) or Optional Condition Settlement Date (Call) (or if none the Issue Date) to (but excluding) the Optional Settlement Date (Call) or Optional Condition Settlement Date (Call), as indicated in the relevant Final Terms;

"**MFP Call CSN Rate**" means a percentage calculated as the product of the MFP Call Rate and the applicable Day Count Fraction;

"**MFP Call Cap Percentage**" means the percentage specified as such in the applicable Final Terms;

"**MFP Call Constant Percentage**" means the percentage specified as such in the applicable Final Terms;

"**MFP Call Exit Rate**" means any of MFP Call Rate, MFP Call up Rate or MFP Call CSN Rate as specified in the applicable Final Terms;

"**MFP Call Floor Percentage**" means the percentage specified as such in the applicable Final Terms;

"**MFP Call Gearing**" means the percentage specified as such in the applicable Final Terms;

"**MFP Call Rate**" means the rate specified as such or determined in the manner set out in, the applicable Final Terms. If the applicable Final Terms specify that the MFP Call Rate is to be determined by reference to a Screen Rate, the MFP Call Rate shall be calculated pursuant to Security Condition 17.5(d) (*AES Rate Determination*), as applicable, save that references therein to "AES" shall be deemed to be references to "Call";

"**MFP Call Settlement Percentage**" means the percentage specified as such in the applicable Final Terms;

"**MFP Call Reference Rate**" means the floating rate specified as such in the applicable Final Terms;

"**MFP Call Spread Percentage**" means the percentage specified as such in the applicable Final Terms;

"**MFP Call Strike Percentage**" means the percentage specified as such in the applicable Final Terms;

"**MFP Call Value**" means, in respect of a MFP Call Valuation Date or MFP Call Valuation Period, the value from from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (G*reatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts)*, 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms;

"**MFP Call Valuation Date**" means each Averaging Date, Valuation Date, Pricing Date and/or Settlement Price Date specified as such in the applicable Final Terms;

"**MFP Call Valuation Period**" means each period specified as such in the applicable Final Terms;

"**Minimum MFP Call Payout**" means the amount specified as such in the applicable Final Terms.

(e) **Leveraged Certificates Call Payout**

If the Securities are Fund Securities and Leveraged Certificates Call Payout is specified in the applicable Final Terms and, in case Call Option Condition is specified in the relevant Final Terms as being applicable, if the Call Option Condition(s) has occurred, the Call Payout will be:

Notional Amount × Reference Level - Fixed Percentage

provided that, if so specified in the applicable Final Terms, in no circumstances the Leveraged Certificates Call Payout shall exceed the proceeds received by the Issuer from the unwinding of its exposure to the Underlying Reference.

where

"**Reference Level**" means:

Reference $Level_0$ × (1 + Participation Factor × (Fund $Level_t$ - Fund $Level_0$) / Fund $Level_0$ - (Participation Factor-1) × $Fees_t$)

"**Optional Condition Settlement Valuation Date (Call)** " means each date specified as such in the applicable Final Terms or, if such date is not a Fund Business Day the next following Fund Business Day;"

"**Optional Settlement Valuation Date**"means each date specified as such in the applicable Final Terms or, if such date is not a a Fund Business Day the next following Fund Business Day;

"**Calculation Date**" means each day which is a Fund Business Day;

"**Day Count Fraction**" is as defined in the applicable Final Terms;

"**First Calculation Date**" means the date specified as such in the applicable Final Terms;

"**$Fees_t$**" means the cumulative leverage fee, expressed as a percentage and calculated by the Calculation Agent as the aggregate sum of the Fees Accrued during each Fees Accrual Period;

"**Fees Accrued**" means, in respect of a Fee Accrual Period, the fees accrued during such period, expressed as a percentage and calculated by the Calculation Agent as follows:

(Fee ISDA Rate + Fee Margin) × Day Count Fraction

"**Fee ISDA Rate**" means the floating rate determined according to the ISDA Determination under Security Condition 22(d)(i) as indicated in the applicable Final Terms;

"**Fee Margin**" is as defined in the applicable Final Terms;

"**Fee Accrual Period(s)**" means the periods commencing on (and including) the Fee Accrual Commencing Date up to (but excluding) the first Fee Accrual Date and each subsequent period commencing on (and including) a Fee Accrual Date up to (but excluding) the next following Fee Accrual Date, provided that the last Fee Accrual Period shall be deemed to end (but excluding) on the number of Calculation Dates indicated in the applicable Final Terms, preceding the Optional Settlement Date(s) (Call) or Optional Condition Settlement Date (Call) as specified in the applicable Final Terms;

"**Fee Accrual Commencing Date**" is as defined in the applicable Final Terms;

"**Fee Accrual Date(s)**" is as defined in the relevant Final Terms;

"**Fixing Date**" means the Calculation Date immediately preceding the First Calculation Date;

"**Fund $Level_0$**" means the Settlement Price of the relevant Underlying Reference(s) as of the

Fixing Date;

"**Fund Level$_t$**" means the Settlement Price of the relevant Underlying Reference(s) as of the Optional Settlement Valuation Date or the Optional Condition Settlement Valuation Date (Call) as specified in the relevant Final Terms;

"**Participation Factor**" is as defined in the applicable Final Terms;

"**Reference Level$_0$**" means the number (expressed as a percentage) specified in the Final Terms.

5. REMUNERATION RATES

5.1 Remuneration Rates Formulas

The following Remuneration Rate will apply to the Securities if specified in the applicable Final Terms:

(a) **MFP Fixed Coupon**

If MFP Fixed Coupon is specified as applicable in the applicable Final Terms:

$Rate_{(i)}$.

Description of the Remuneration Rate

A MFP Fixed Coupon provides that the Securities pay remuneration amount at a specified rate for the relevant period.

(b) **MFP Floating Coupon**

If MFP Floating Coupon is specified as applicable in the applicable Final Terms:

$Rate_{(i)}$.

Description of the Remuneration Rate

A MFP Floating Coupon provides that the Securities pay remuneration amount at a specified floating or variable rate for the relevant period.

(c) **MFP Mixed Coupon**

If MFP Mixed Coupon is specified as applicable in the applicable Final Terms:

$Spread_{(i)} + Rate_{(i)}$.

Description of the Remuneration Rate

A MFP Mixed Coupon provides that the Securities pay remuneration amount at a specified floating or variable rate and spread for the relevant period.

(d) **MFP Digital Coupon**

If MFP Digital Coupon is specified as applicable in the applicable Final Terms:

(i) If the Digital Coupon Condition is satisfied in respect of MFP Coupon Valuation $Date_{(i)}$ or MFP Coupon Valuation $Period_{(i)}$, as applicable:

$Rate\ 1_{(i)}$; or

(ii) if the Digital Coupon Condition is not satisfied in respect of MFP Coupon Valuation $Date_{(i)}$ or MFP Coupon Valuation $Period_{(i)}$, as applicable:

$Rate\ 2_{(i);}$

Description of the Remuneration Rate

A MFP Digital Coupon provides that the Securities pay remuneration amount at a specified rate for the relevant period if a specified condition is met. If the condition is not met then the Securities will pay a different remuneration amount for that period.

(e) **MFP Additional Digital Coupon**

If MFP Additional Digital Coupon is specified as applicable in the applicable Final Terms:

(i) If the Additional Digital Coupon Condition is satisfied in respect of MFP Coupon Valuation Date$_{(i)}$ or MFP Coupon Valuation Period$_{(i)}$, as applicable:

Additional Coupon 1$_{(i)}$; or

(ii) if the Additional Digital Coupon Condition is not satisfied in respect of MFP Coupon Valuation Date$_{(i)}$ or MFP Coupon Valuation Period$_{(i)}$, as applicable:

Additional Coupon 2$_{(i);}$

Description of the Remuneration Rate

A MFP Additional Digital Coupon provides that the Securities pay remuneration amount at a specified Additional Coupon for the relevant period if a specified condition is met. If the condition is not met then the Securities will pay a different Additional Coupon for that period. Additional Coupon 1 and Additional Coupon 2 could be any of the Remuneration Rates.

(f) **MFP Double Digital Coupon**

If MFP Double Digital Coupon is specified as applicable in the applicable Final Terms:

(i) If the Double Digital Coupon Condition 1 is satisfied in respect of MFP Coupon Valuation Date$_{(i)}$ or MFP Coupon Valuation Period$_{(i)}$, as applicable:

Additional Coupon 1$_{(i)}$; or

(ii) if the Double Digital Coupon Condition 1 is not satisfied and the Double Digital Coupon Condition 2 is satisfied in respect of MFP Coupon Valuation Date$_{(i)}$ or MFP Coupon Valuation Period$_{(i)}$, as applicable:

Additional Coupon 2$_{(i)}$;

(iii) if the Double Digital Coupon Condition 1 is not satisfied and the Double Digital Coupon Condition 2 is not satisfied in respect of MFP Coupon Valuation Date$_{(i)}$ or MFP Coupon Valuation Period$_{(i)}$, as applicable:

Additional Coupon 3$_{(i)}$;

Description of the Remuneration Rate

A MFP Double Digital Coupon provides that the Securities pay remuneration amount at a specified Additional Coupon for the relevant period if a specified condition is met. If the

condition is not met then the Securities will pay a different Additional Coupon for that period. Additional Coupon 1 and Additional Coupon 2 and Additional Coupon 3 could be any of the Remuneration Rates.

(g) **MFP Corridor Digital Coupon**

If MFP Corridor Digital Coupon is specified as applicable in the applicable Final Terms:

(i) If the Corridor Digital Coupon Condition 1 and Corridor Digital Coupon Condition 2 is satisfied in respect of MFP Coupon Valuation $\text{Date}_{(i)}$ or MFP Coupon Valuation $\text{Period}_{(i)}$, as applicable:

Rate $1_{(i);}$ or

(ii) if the Corridor Digital Coupon Condition 1 or Corridor Digital Coupon Condition 2 is not satisfied in respect of MFP Coupon Valuation $\text{Date}_{(i)}$ or MFP Coupon Valuation $\text{Period}_{(i)}$, as applicable:

Rate $2_{(i)}$

where:

"**Corridor Digital Coupon Condition 1**" means that the DC Barrier Value for the relevant MFP Coupon Valuation Date or MFP Coupon Valuation Period is (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the Barrier Level; or (e) "within" the Barrier Range Level, in each case as specified in the applicable Final Terms; or (f) "outside" the Barrier Range Level, in each case as specified in the applicable Final Terms

"**Corridor Digital Coupon Condition 2**" means that the DC Barrier Value for the relevant MFP Coupon Valuation Date or MFP Coupon Valuation Period is (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the Barrier Level; or (e) "within" the Barrier Range Level, in each case as specified in the applicable Final Terms; or (f) "outside" the Barrier Range Level, in each case as specified in the applicable Final Terms.

Description of the Remuneration Rate

A MFP Corridor Digital Coupon provides that the Securities pay remuneration amount at a specified rate for the relevant period if two specified conditions are met. If any of the conditions is not met, then the Securities will pay different remuneration amount for that period.

(h) **MFP Memory Snowball Digital Coupon**

If MFP Memory Snowball Digital Coupon is specified as applicable in the applicable Final Terms:

(i) if the MFP Memory Snowball Digital Coupon Condition is satisfied in respect of MFP Coupon Valuation Date$_{(i)}$ or MFP Coupon Valuation Period$_{(i)}$, as applicable:

Rate $1_{(i)}$ + SumRate$_{(i)}$

Where "Sum Rate$_{(i)}$" means:

(a) the sum of Rate $1_{(i)}$ for each MFP Coupon Valuation Date or MFP Coupon Valuation Period, as applicable, in the period from (but excluding) the last occurring MFP Memory Snowball Date (or if none the Issue Date) to (but excluding) the relevant MFP Coupon Valuation Date or MFP Coupon Valuation Period; or

(b) the sum of Rate $1_{(i)}$ for the last N MFP Coupon Valuation Date or MFP Coupon Valuation Period, as applicable, in the period from (but excluding) the last occurring MFP Memory Snowball Date (or if none the Issue Date) to (but excluding) the relevant MFP Coupon Valuation Date or MFP Coupon Valuation Period; or

(c) the sum of Rate $1_{(i)}$ for each MFP Coupon Valuation Date or MFP Coupon Valuation Period, as applicable, in the period from (but excluding) the last occurring MFP Memory Snowball Date (or if none the Issue Date) to (but excluding) the relevant MFP Coupon Valuation Date or MFP Coupon Valuation Period less the sum of Rate $2_{(i)}$ for each MFP Coupon Valuation Date or MFP Coupon Valuation Period, as applicable, in the period from (but excluding) the last occurring MFP Memory Snowball Date (or if none the Issue Date) to (but excluding) the relevant MFP Coupon Valuation Date or MFP Coupon Valuation Period; or

(d) the sum of Rate $1_{(i)}$ for last N MFP Coupon Valuation Date or MFP Coupon Valuation Period, as applicable, in the period from (but excluding) the last occurring MFP Memory Snowball Date (or if none the Issue Date) to (but excluding) the relevant MFP Coupon Valuation Date or MFP Coupon Valuation Period less the sum of Rate $2_{(i)}$ for the last N MFP Coupon Valuation Date or MFP Coupon Valuation Period, as applicable, in the period from (but excluding) the last occurring MFP Memory Snowball Date (or if none the Issue Date) to (but excluding) the relevant MFP Coupon Valuation Date or MFP Coupon Valuation Period,

or

(ii) if the MFP Memory Snowball Digital Coupon Condition is not satisfied in respect of MFP Coupon Valuation Date$_{(i)}$ or MFP Coupon Valuation Period$_{(i)}$, as applicable:

Rate $2_{(i)}$

Description of the Remuneration Rate

A MFP Memory Snowball Digital Coupon provides that the Securities pay remuneration amount on the basis of a Digital Coupon Condition but with a memory effect. Any or some

remuneration amount not paid in respect of a period may be paid at a later date if certain conditions are met. This remuneration may exclude any payments made when the Digital Coupon Condition is not met.

(i) **MFP Range Accrual Coupon**

If MFP Range Accrual Coupon is specified as applicable in the applicable Final Terms:

Rate $1_{(i)}$ × (n/N) + Rate $2_{(i)}$ × (1 - n/N)

where:

"**n**" is the number of MFP Range Accrual Days in the relevant MFP Coupon Valuation $\text{Period}_{(i)}$ on which the MFP Range Accrual Coupon Condition is satisfied; and

"**N**" is the number of MFP Range Accrual Days in the relevant MFP Coupon Valuation $\text{Period}_{(i)}$.

Description of the Remuneration Rate

A MFP Range Accrual Coupon provides that the Securities pay remuneration amount on the basis of a rate calculated by reference to the number of days on which a specified condition is satisfied in the relevant period a different remuneration is paid when a specified condition is not satisfied.

(j) **MFP – Digital Mixed Coupon**

If MFP Digital Mixed Coupon is specified as applicable in the applicable Final Terms:

(i) If the MFP Digital Mixed Coupon Condition is satisfied in respect of MFP Coupon Valuation $\text{Date}_{(i)}$ or MFP Coupon Valuation $\text{Period}_{(i)}$, as applicable:

Mixed Coupon Constant $1_{(i)}$ + Mixed Coupon Gearing $1_{(i)}$ × Additional Coupon $1_{(i)}$; or

(ii) if the MFP Digital Mixed Coupon Condition is not satisfied in respect of MFP Coupon Valuation $\text{Date}_{(i)}$ or MFP Coupon Valuation $\text{Period}_{(i)}$, as applicable:

Mixed Coupon Constant $2_{(i)}$ + Mixed Coupon Gearing $2_{(i)}$ × Additional Coupon $2_{(i)}$

where:

"**Mixed Coupon Constant $1_{(i)}$**" is as defined in the relevant Final Terms;

"**Mixed Coupon Constant $2_{(i)}$**" is as defined in the relevant Final Terms;

"**Mixed Coupon Gearing $1_{(i)}$**" is as defined in the relevant Final Terms;

"**Mixed Coupon Gearing $2_{(i)}$**" is as defined in the relevant Final Terms.

Description of the Remuneration Rate

A MFP Digital Mixed Coupon provides that the Securities pay a remuneration amount linked to an Additional Coupon 1 (subject to gearing) for the relevant period if a specified condition is met. If the condition is not met then the Securities will pay a different remuneration amount linked to an Additional Coupon 2 (subject to gearing) for that period. Additional Coupon 1 and Additional Coupon 2 could be any of the Remuneration Rates.

(k) **MFP – Double Digital Mixed Coupon**

If MFP Double Digital Mixed Coupon is specified as applicable in the applicable Final Terms:

(i) If the MFP Double Digital Mixed Coupon Condition 1 is satisfied in respect of MFP Coupon Valuation $\text{Date}_{(i)}$ or MFP Coupon Valuation $\text{Period}_{(i)}$, as applicable:

$$\text{Mixed Coupon Constant } 1_{(i)} + \text{Mixed Coupon Gearing } 1_{(i)} \times \text{Additional Coupon } 1_{(i)}; \text{ or}$$

(ii) if the MFP Double Digital Mixed Coupon Condition 1 is not satisfied and MFP Double Digital Mixed Coupon Condition 2 is satisfied in respect of MFP Coupon Valuation $\text{Date}_{(i)}$ or MFP Coupon Valuation $\text{Period}_{(i)}$, as applicable:

$$\text{Mixed Coupon Constant } 2_{(i)} + \text{Mixed Coupon Gearing } 2_{(i)} \times \text{Additional Coupon } 2_{(i)}$$

(iii) if the MFP Double Digital Mixed Coupon Condition 1 and MFP Double Digital Mixed Coupon Condition 2 is not satisfied in respect of MFP Coupon Valuation $\text{Date}_{(i)}$ or MFP Coupon Valuation $\text{Period}_{(i)}$, as applicable:

$$\text{Mixed Coupon Constant } 3_{(i)} + \text{Mixed Coupon Gearing } 3_{(i)} \times \text{Additional Coupon } 3_{(i)}$$

where:

"**Mixed Coupon Constant $1_{(i)}$**" is as defined in the relevant Final Terms;

"**Mixed Coupon Constant $2_{(i)}$**" is as defined in the relevant Final Terms;

"**Mixed Coupon Constant $3_{(i)}$**" is as defined in the relevant Final Terms;

"**Mixed Coupon Gearing $1_{(i)}$**" is as defined in the relevant Final Terms;

"**Mixed Coupon Gearing $2_{(i)}$**" is as defined in the relevant Final Terms;

"**Mixed Coupon Gearing $3_{(i)}$**" is as defined in the relevant Final Terms;

Description of the Remuneration Rate

A MFP Double Digital Mixed Coupon provides that the Securities pay a remuneration amount linked to an Additional Coupon 1 (subject to gearing) for the relevant period if a specified condition is met. If the condition is not met then the Securities will pay a different remuneration amount linked to an Additional Coupon 2 or Additional Coupon 3 (subject to gearing) for that period. Additional Coupon 1, Additional Coupon 2 and Additional Coupon 3 could be any of the Remuneration Rates.

(l) **MFP Ratchet Coupon**

If MFP Ratchet Coupon is specified as applicable in the applicable Final Terms:

(i) if Local Cap Percentage is specified as not applicable in the applicable Final Terms:

Max [Sum (q = 1, 2, …, $Q_{(i)}$) Max (Coupon $Value_{(q)}$ - Strike $Percentage_{(i)}$, Local Floor $Percentage_{(i)}$) , Global Floor $Percentage_{(i)}$]

(ii) if Local Cap Percentage is specified as applicable in the applicable Final Terms:

Max [Sum (q = 1, 2, …, $Q_{(i)}$) Max (Min (Coupon $Value_{(q)}$ - Strike $Percentage_{(i)}$, Local Cap $Percentage_{(i)}$), Local Floor $Percentage_{(i)}$) , Global Floor $Percentage_{(i)}$]

Description of the Remuneration Rate

A MFP Ratchet Coupon provides that the Securities pay remuneration amount in respect of the relevant period on the basis of a rate calculated by reference to the sum of two or more rates, in each case subject to a floor and if applicable a cap.

(m) **Weighted Mixed Coupon**

If Weighted Mixed Coupon is specified in the applicable Final Terms:

Sum (a = 1, 2, …, A) $CW_{(a)\,(i)}$ × Prod (b = 1, 2, …, B) Additional $Coupon_{(a,b)\,(i)}$

where:

"**CW**" is the relevant Coupon Weighting;

"**A**" is the number specified as such in the applicable Final Terms;

"**a**" is as defined in the applicable Final Terms;

"**B**" is the number specified as such in the applicable Final Terms

"**b**" is as defined in the applicable Final Terms.

Description of the Remuneration Rate

A Weighted Mixed Coupon provides that the Securities pay remuneration amount in respect of the relevant period on the basis of a rate calculated as the weighted sum of two or more Remuneration Rates provided in the Conditions and specified in the applicable Final Terms.

(n) **Max Mixed Coupon**

If Max Mixed Coupon is specified as applicable in the applicable Final Terms:

Max (a = 1, 2, …, A) [Additional $Coupon_{(i)}$]$_{(a)}$

Or

Min (a = 1, 2, …, A) [Max (a = 1, 2, …, A) Additional Coupon$_{(i,a)}$; Local Cap Percentage$_{(i,a)}$]

where:

"**A**" is the number specified as such in the applicable Final Terms,

"**a**" is as defined in the applicable Final Terms;

"**Local Cap Percentage**" is the number specified as such in the applicable Final Terms,

Description of the Remuneration Rate

A Max Mixed Coupon provides that the Securities pay remuneration amount in respect of the relevant period on the basis of a rate calculated as the maximum of two or more Remuneration Rate provided in the Conditions and specified in the applicable Final Terms.

(o) **Single FX Vanilla Coupon**

If Single FX Vanilla Coupon is specified as applicable in the applicable Final Terms:

Min (Global Cap A, Max (Global Floor A, Gearing A ×FX Coupon Performance))

Description of the Remuneration Rate

A Single FX Vanilla Coupon provides that the Securities pay remuneration amount on the basis of the FX Coupon Performance, subject to a gearing, a cap and a floor.

(p) **Single FI Digital Coupon**

If Single FI Digital Coupon is specified as applicable in the applicable Final Terms:

(i) if the FI Digital Coupon Condition is satisfied in respect of the relevant FI Remuneration Valuation Date:

$$\text{Min}\left(\text{Global Cap A}, \text{Max}\left(\text{Global Floor A}, \left(\sum_{i=1}^{n} \text{Gearing A}_{(i)} \times \text{FI Rate A}_{(i)}\right) + \text{Constant A}\right)\right); \text{or}$$

(ii) if the FI Digital Coupon Condition is not satisfied in respect of the relevant FI Remuneration Valuation Date:

$$\text{Min}\left(\text{Global Cap B}, \text{Max}\left(\text{Global Floor B}, \left(\sum_{i=1}^{n} \text{Gearing B}_{(i)} \times \text{FI Rate B}_{(i)}\right) + \text{Constant B}\right)\right)$$

Description of the Remuneration Rate

A Single FI Digital Coupon provides that the Securities pay remuneration amount linked to an FI Rate A for the relevant period if a specified condition is met. If the condition is not met, then the Securities will pay a different remuneration amount linked to a FI Rate B for that period. In each case the remuneration is subject to a floor and a cap.

(q) **Single FX Digital Coupon**

If Single FX Digital Coupon is specified as applicable in the applicable Final Terms:

(i) if the FI Digital Coupon Condition is satisfied in respect of the relevant FI Remuneration Valuation Date:

$$\text{Min}\left(\text{Global Cap A}, \text{Max}\left(\text{Global Floor A}, \text{Gearing A x FX Coupon Performance}\right)\right)$$

; or

(ii) if the FI Digital Coupon Condition is not satisfied in respect of the relevant FI Remuneration Valuation Date:

$$\text{Min}\left(\text{Global Cap B}, \text{Max}\left(\text{Global Floor B}, \text{Gearing B x FX Coupon Performance}\right)\right)$$

Description of the Remuneration Rate

A Single FX Digital Coupon provides that the Securities pay remuneration amount linked to the FX Coupon Percentage for the relevant period if a specified condition is met, subject to a floor, a cap and a gearing. If the condition is not met, then the Securities will pay a different remuneration amount linked to the FX Coupon Percentage for that period, subject to a floor, a cap and a gearing which may be different from the above.

(r) **Range Accrual Coupon**

If Range Accrual Coupon is specified as applicable in the applicable Final Terms:

$$Min\left\{Global\ Cap, Max\left(Global\ Floor, Min\left[Local\ Cap, Max\left(Local\ Floor, Global\ Margin + \sum_{i=1}^{n} \text{Gearing}_{(i)} \times \text{FI Rate}_{(i)}\right)\right] \times {}^{n}/_{N}\right)\right\}$$

where:

"**n**" is the number of Range Accrual Days in the relevant Range Period on which the Range Accrual Coupon Condition is satisfied; and

"**N**" is the number of Range Accrual Days in the relevant Range Period.

If Deemed Range Accrual is specified as applicable in the applicable Final Terms, the FI DC Barrier Value for each Range Accrual Day in the period from (and including) the Range Cut-off Date to (and including) the Range Period End Date will be deemed to be the FI DC Barrier Value on the Range Cut-off Date.

Description of the Remuneration Rate

A Range Accrual Coupon provides that the Securities pay remuneration amount on the basis of the sum of two or more rates calculated by reference to the number of days on which a specified condition is satisfied in the relevant period. The remuneration is subject to a cap, a floor and a gearing.

(s) **Single FX Range Accrual Coupon**

If Single FX Range Accrual Coupon is specified as applicable in the applicable Final Terms:

$$\text{Min}\left(\text{GlobalCap, Max}\left(\text{Global Floor,FI Rate x n/N}\right)\right)$$

where:

"**n**" is the number of Range Accrual Days in the relevant Range Period on which the Range Accrual Coupon Condition is satisfied; and

"**N**" is the number of Range Accrual Days in the relevant Range Period.

If Deemed Range Accrual is specified as applicable in the applicable Final Terms, the FI DC Barrier Value or FX Coupon Performance, as applicable, for each Range Accrual Day in the period from (and including) the Range Cut-off Date to (and including) the Range Period End Date will be deemed to be the FI DC Barrier Value or FX Coupon Performance, as applicable, on the Range Cut-off Date.

Description of the Remuneration Rate

A Single FX Range Accrual Coupon provides that the Securities pay remuneration amount on the basis of a rate calculated by reference to the number of days on which a specified condition is satisfied in the relevant period. The remuneration is subject to a cap and a floor.

(t) **Single FX Memory Coupon**

If Single FX Memory Coupon is specified as applicable in the applicable Final Terms:

(i) if the FI Digital Coupon Condition is satisfied in respect of the relevant FI Remuneration Valuation Date:

FI Rate A – Paid FX Memory Coupons; or

(ii) if the FI Digital Coupon Condition is not satisfied in respect of the relevant FI Remuneration Valuation Date:

FI Rate B

where:

"**Current FX Memory Coupon Remuneration Period**" means, in respect of a FI Remuneration Valuation Date, the Remuneration Period ending on or immediately prior to such FI Remuneration Valuation Date.

"**Paid FX Memory Coupons**" means, in respect of a FI Remuneration Valuation Date, the sum of the values calculated for each Remuneration Period as the product of (i) the Remuneration Rate and (ii) the Day Count Fraction, in each case calculated for each Remuneration Period preceding the Current FX Memory Coupon Remuneration Period.

Description of the Remuneration Rate

A Single FX Memory Coupon provides that the Securities pay remuneration amount on the basis of a FI Digital Coupon Condition but with a memory effect. This remuneration excludes any payments made when the FI Digital Coupon Condition is not met.

(u) **Multiple Combination Floater Coupon**

If Multiple Combination Floater is specified as applicable in the applicable Final Terms:

$$Min\left\{Global\ Cap, Max\left(Global\ Floor, Min\left(Local\ Cap, Max\left(Local\ Floor, Global\ Margin + \sum_{i=1}^{n} Gearing_i \times FI\ Rate_i\right)\right)\right)\right\}$$

Description of the Remuneration Rate

A Multiple Combination Floater Coupon provides that the Securities pay remuneration amount on the basis of a fixed margin and the sum of two or more rates (subject to gearing). The remuneration is subject to a cap and a floor.

(v) **PRDC Coupon**

If PRDC Coupon is specified as applicable in the applicable Final Terms:

(i) if Knock-in Event is specified as applicable in the applicable Final Terms:

(A) if no Knock-in Event has occurred, 0 (zero); or

(B) if a Knock-in Event has occurred:

Min (Cap, Max (Floor, (Coupon Percentage 1 × PRDC Performance) - Coupon Percentage 2));

(ii) if Knock-in Event is specified as not applicable in the applicable Final Terms:

Min (Cap, Max (Floor, (Coupon Percentage 1 × PRDC Performance) - Coupon Percentage 2));

(iii) if Knock-in Event and Knock-out Event are specified as applicable in the applicable Final Terms:

(A) if a Knock-in Event has occurred but a Knock-out Event has not occurred:

Min (Cap, Max (Floor, (Coupon Percentage 1 × PRDC Performance) - Coupon Percentage 2));

(B) if (a) a Knock-in Event and a Knock-out Event have occurred or (b) a Knock-out Event has occurred, 0 (zero);

where:

"**PRDC Performance**" means the quotient of the Final Settlement Price (as numerator) and the Initial Settlement Price (as denominator).

Description of the Remuneration Rate

A PRDC Coupon provides that the Securities pay remuneration amount equal to:

- *if Knock-in Event is specified as applicable in the applicable Final Terms:*

  - *if no Knock-in event has occurred, zero;*

  - *if a Knock-in event has occurred, an indexation to the value of the Underlying Reference(s) subject to a minimum and a maximum; or*

- *if Knock-in Event is not specified as applicable in the applicable Final Terms an indexation to the value of the Underlying Reference(s) subject to a minimum and a maximum; or*

- *if Knock-in Event and Knock-out Event are specified as applicable in the applicable Final Terms:*

  - *if a Knock-in Event has occurred but a Knock-out Event has not occurred, an indexation to the value of the Underlying Reference(s) subject to a minimum and a maximum;*

  - *if (a) a Knock-in Event and a Knock-out Event have occurred or (b) a Knock-out Event has occurred, zero.*

(w) **Single FI Digital Floor Coupon**

If Single FI Digital Floor Coupon is specified as applicable in the applicable Final Terms:

(i) if Knock-in Event is specified as applicable in the applicable Final Terms:

(A) if no Knock-in Event has occurred, 0 (zero);

(B) if a Knock-in Event has occurred and the FI Digital Floor Condition is satisfied in respect of the relevant FI Remuneration Valuation Date:

Digital Floor Percentage 1; or

(C) if a Knock-in Event has occurred and the FI Digital Floor Condition is not satisfied in respect of the relevant FI Remuneration Valuation Date:

Digital Floor Percentage 2.

(ii) if Knock-in Event is specified as not applicable in the applicable Final Terms:

(A) if the FI Digital Floor Condition is satisfied in respect of the relevant FI Remuneration Valuation Date:

Digital Floor Percentage 1; or

(B) if the FI Digital Floor Condition is not satisfied in respect of the relevant FI Remuneration Valuation Date:

Digital Floor Percentage 2; or

(iii) if Knock-in Event and Knock-out Event are specified as applicable in the applicable Final Terms:

(A) if no Knock-in Event has occurred, 0 (zero); or

(B) if a Knock-in Event has occurred but a Knock-out Event has not occurred and the FI Digital Floor Condition is satisfied in respect of the relevant FI Remuneration Valuation Date:

Digital Floor Percentage 1; or

(C) in all other cases:

Digital Floor Percentage 2.

Description of the Remuneration Rate

A Single FI Digital Floor Coupon provides that the Securities pay remuneration amount equal to:

- *if Knock-in Event is specified as applicable in the applicable Final Terms:*
  - *if no Knock-in event has occurred, zero;*
  - *if a Knock-in event has occurred and the FI Digital Floor Condition is satisfied, the Digital Floor Percentage 1; or*
  - *if a Knock-in event has occurred and the FI Digital Floor Condition is not satisfied, the Digital Floor Percentage 2;*
- *if Knock-in Event is not specified as applicable in the applicable:*
  - *if the FI Digital Floor Condition is satisfied, the Digital Floor Percentage 1; or*
  - *if the FI Digital Floor Condition is not satisfied, the Digital Floor Percentage 2; or*
- *if Knock-in Event and Knock-out Event are specified as applicable in the applicable Final Terms:*
  - *if no Knock-in event has occurred, zero;*
  - *if a Knock-in Event has occurred but a Knock-out Event has not occurred and the FI Digital Floor Condition is satisfied, the Digital Floor Percentage 1; or*
  - *in all the other cases, the Digital Floor Percentage 2.*

(x) **Single FI Digital Cap Coupon**

If Single FI Digital Cap Coupon is specified as applicable in the applicable Final Terms:

(i) if Knock-in Event is specified as applicable in the applicable Final Terms:

(A) if no Knock-in Event has occurred, 0 (zero);

(B) if a Knock-in Event has occurred and the FI Digital Cap Condition is satisfied in respect of the relevant FI Remuneration Valuation Date:

Digital Cap Percentage 1; or

(C) if a Knock-in Event has occurred and the FI Digital Cap Condition is not satisfied in respect of the relevant FI Remuneration Valuation Date:

Digital Cap Percentage 2; or

(ii) if Knock-in Event is specified as not applicable in the applicable Final Terms:

(A) if the FI Digital Cap Condition is satisfied in respect of the relevant FI Remuneration Valuation Date:

Digital Cap Percentage 1; or

(B) if the FI Digital Cap Condition is not satisfied in respect of the relevant FI Remuneration Valuation Date:

Digital Cap Percentage 2; or

(iii) if Knock-in Event and Knock-out Event are specified as applicable in the applicable Final Terms:

(A) if no Knock-in Event has occurred, 0 (zero); or

(B) if a Knock-in Event has occurred but a Knock-out Event has not occurred and the FI Digital Cap Condition is satisfied in respect of the relevant FI Remuneration Valuation Date:

Digital Cap Percentage 1; or

(C) in all other cases:

Digital Cap Percentage 2.

Description of the Remuneration Rate

A Single FI Digital Cap Coupon provides that the Securities pay remuneration amount equal to:

- *if Knock-in Event is specified as applicable in the applicable Final Terms:*
  - *if no Knock-in event has occurred, zero;*
  - *if a Knock-in event has occurred and the FI Digital Cap Condition is satisfied, the Digital Cap Percentage 1; or*
  - *if a Knock-in event has occurred and the FI Digital Cap Condition is not satisfied, the Digital Cap Percentage 2;*
- *if Knock-in Event is not specified as applicable in the applicable:*
  - *if the FI Digital Cap Condition is satisfied, the Digital Cap Percentage 1; or*
  - *if the FI Digital Cap Condition is not satisfied, the Digital Cap Percentage 2; or*
- *if Knock-in Event and Knock-out Event are specified as applicable in the applicable Final Terms:*

- *if no Knock-in event has occurred, zero;*
- *if a Knock-in Event has occurred but a Knock-out Event has not occurred and the FI Digital Cap Condition is satisfied, the Digital Cap Percentage 1; or*
- *in all the other cases, the Digital Cap Percentage 2.*

(y) **Single FI Target Coupon**

If Automatic Early Settlement and Single FI Target Coupon are specified as applicable in the applicable Final Terms and an Automatic Early Settlement Event has not occurred, the Remuneration Rate, as applicable in respect of the Target Final Remuneration Period shall be the Final Remuneration Rate specified in the applicable Final Terms.

Description of the Remuneration Rate

A Single FI Target Coupon provides a remuneration equal to a Final Remuneration Rate in case of an Automatic Early Settlement Event not occurring.

(z) **Duration Adjusted Coupon**

If Duration Adjusted Coupon is specified as applicable in the applicable Final Terms:

$$\text{Constant Percentage} + \text{Max}\left(0\,, \text{Rate}_{(i)} + \text{Spread}_{(i)}\right) \times \frac{1 - \left(1 + \text{Rate}_{(i)}\right)^{-\text{N}}}{\text{Rate}_{(i)}} / \text{N}$$

Description of the Remuneration Rate

A Duration Adjusted Coupon provides a remuneration equal to a constant percentage plus a rate and spread (the sum of which cannot be negative) both adjusted for the duration.

(aa) **FX Wedding Cake Remuneration**

If FX Wedding Cake Remuneration is specified as applicable in the applicable Final Terms:

(i) If, at all times on each Remuneration Observation Date during the relevant Remuneration Period, the Settlement Price remains within Remuneration Range 1:

Notional Amount × Rate_1 × Day Count Fraction (if Day Count Fraction is specified as applicable in the relevant Final Terms)

(ii) If Remuneration Range 2 is specified as applicable in the relevant Final Terms and at all times on each Remuneration Observation Date during the relevant Remuneration Period, the Settlement Price has, at least once, moved outside Remuneration Range 1 but has remained within Remuneration Range 2:

Notional Amount × Rate_2 × Day Count Fraction (if Day Count Fraction is specified as applicable in the relevant Final Terms)

(iii) If Remuneration Range n^{th} is specified as applicable in the relevant Final Terms and at all times on each Remuneration Observation Date during the relevant Remuneration Period, the Settlement Price has, at least once, moved outside

Remuneration Range 1, Remuneration Range 2 and any other wider remuneration range (other than Remuneration Range n^{th}) specified as applicable in the relevant Final Terms but has remained within Remuneration Range n^{th}:

Notional Amount × Rate_n × Day Count Fraction (if Day Count Fraction is specified as applicable in the relevant Final Terms)

(iv) If none of the previous conditions has been met, the Remuneration Amount shall be equal to zero.

Where:

"**Remuneration Range 1**" is as defined in the applicable Final Terms;

"**Remuneration Range 2**" is as defined in the applicable Final Terms;

"**Remuneration Range nth**" is as defined in the applicable Final Terms;

"**Rate_1**" means the percentage specified in the applicable Final Terms;

"**Rate_2**" means the percentage specified in the applicable Final Terms;

"**Rate_n**" means the percentage specified in the applicable Final Terms.

"**Remuneration Observation Date**" means each date specified as such in the applicable Final Terms or, if such date is not a Scheduled Trading Day (in the case of Index Securities, Share Securities, Debt Securities or ETI Securities, a Commodity Business Day (in respect of Commodity Securities), a Fund Business Day (in the case of Fund Securities) or Business Day (in the case of other Securities), as applicable, the next following Scheduled Trading Day, Commodity Business Day, Fund Business Day or Business Day, as applicable, unless, in the case of Index Securities, Share Securities, Commodity Securities, Debt Securities or ETI Securities, in the opinion of the Calculation Agent, any such day is a Disrupted Day (in the case of Index Securities, Share Securities, Debt Securities or ETI Securities, a Market Disruption Event is occurring on such day (in respect of Commodity Securities). If any such day is a Disrupted Day, a day on which a Market Disruption Event is occurring, as applicable, then the corresponding provisions in the definition of "Valuation Date" shall apply *mutatis mutandis* as if references in such provisions to "Valuation Date" were to "Remuneration Observation Date" or (in the case of Commodity Securities) if any such day is a day on which a Market Disruption Event is occurring, then the provisions of "Pricing Date" shall apply *mutatis mutandis* as if references in such provision to "Pricing Date" were to "Remuneration Observation Date". For the purposes of the Relevant Adjustment Provisions, any references to "Valuation Date" shall be deemed to refer to the "Remuneration Observation Date ".

Description of the Remuneration Rate

A FX Wedding Cake Remuneration provides that the Securities pay remuneration amount equal to fixed percentages which vary in accordance with the fluctuation of the Underlying Reference Level. In particular, on each Remuneration Observation Date during the Remuneration Period, the Underlying Reference Level may remain in or move outside of certain ranges (Remuneration Range 1, Remuneration Range 2 and any other wider range (Remuenration Range n^{th})), thus determining the applicable fixed percentage (respectively, Rate_1, Rate_2, Rate_n). If the Underlying Reference Level has at least once moved outside all the applicable ranges (therefore not satisfying any applicable condition) the Remuneration Amount will be equal to the zero.

6. MFP ENTITLEMENT AMOUNTS

6.1 Entitlement Amount Formulas

The following Entitlement Amounts (each an "**Entitlement Amount**") will apply to the Securities if specified in the applicable Final Terms, subject as provided in Formulas Condition 6.1(d) below:

(a) **Delivery of Worst-Performing Underlying**

If Delivery of Worst-Performing Underlying is specified as applicable in the applicable Final Terms:

NA × Settlement Payout / (Worst Performing Underlying Reference Closing Price $\text{Value}_{(i)} \times \text{FX}_{(i)}$)

where:

"**Worst Performing Underlying Reference Closing Price $\text{Value}_{(i)}$**" is the Underlying Reference Closing Price $\text{Value}_{(i)}$ on the relevant MFP Valuation Date in respect of the Underlying Reference with the Worst Value on such date; and

"**$\text{FX}_{(i)}$**" is the relevant Underlying Reference FX Level on the relevant MFP Valuation Date or if that is not a Business Day the immediately succeeding Business Day.

(b) **Delivery of Best-Performing Underlying**

If Delivery of Best-Performing Underlying is specified as applicable in the applicable Final Terms:

NA × Settlement Payout / (Best Performing Underlying Reference Closing Price $\text{Value}_{(i)} \times \text{FX}_{(i)}$)

where:

"**Best-Performing Underlying Reference Closing Price $\text{Value}_{(i)}$**" is the Underlying Reference Closing Price $\text{Value}_{(i)}$ on the relevant MFP Valuation Date in respect of the Underlying Reference with the Best Value on such date; and

"**$\text{FX}_{(i)}$**" is the relevant Underlying Reference FX Level on the relevant MFP Valuation Date or if that is not a Business Day the immediately succeeding Business Day.

(c) **Delivery of the Underlying**

If Delivery of the Underlying is specified as applicable in the applicable Final Terms:

NA × Settlement Payout / (Underlying Reference Closing Price Value $\times \text{FX}_{(i)}$)

where:

"**Underlying Reference Closing Price Value**" is the Underlying Reference Closing Price Value on the relevant MFP Valuation Date; and

"**$\text{FX}_{(i)}$**" is the Underlying Reference FX Level on the relevant MFP Valuation Date or if that is not a Business Day the immediately succeeding Business Day.

(d) **Rounding and Residual Amount**

The Entitlement Amount will be rounded down to the nearest unit of each Relevant Asset capable of being delivered and in lieu thereof the Issuer will pay an amount equal to:

$$\text{NA} \times \text{Settlement Payout} - \sum_{k=1}^{K} \text{Number}\ (k, i) * \text{FX}_{(k,i)} * \text{Underlying Reference Closing Price Value}_{(k,i)}$$

"**Number$_{(k,i)}$**" is equal to the Entitlement Amount for the relevant Underlying Reference$_{(k)}$ and MFP Valuation Date$_{(i)}$;

"**Underlying Reference Closing Price Value$_{(k,i)}$**" is the Underlying Reference Closing Price Value$_{(i)}$ on the relevant MFP Valuation Date in respect of the relevant Underlying Reference$_{(k)}$; and

"**FX$_{(k,i)}$**" is the relevant Underlying Reference FX Level on the relevant MFP Valuation Date or if that is not a Business Day the immediately succeeding Business Day.

7. GENERAL FORMULAS DEFINITIONS

"**AC Barrier Value**" means, in respect of a MFP Coupon Valuation Date or MFP Coupon Valuation Period, the value from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (G*reatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms;

"**Additional Coupon**" means each Remuneration Rate specified as such in the applicable Final Terms;

"**Additional Coupon$_{(i)}$**" means each Remuneration Rate specified as such in the applicable Final Terms;

"**Additional Coupon 1**" means each Remuneration Rate specified as such in the applicable Final Terms;

"**Additional Coupon 1$_{(i)}$**" means each Remuneration Rate specified as such in the applicable Final Terms;

"**Additional Coupon 2**" means each Remuneration Rate specified as such in the applicable Final Terms;

"**Additional Coupon 2$_{(i)}$**" means each Remuneration Rate specified as such in the applicable Final Terms;

"**Additional Coupon 3$_{(i)}$**" means each Remuneration Rate specified as such in the applicable Final Terms;

"**Additional Digital Coupon Condition**" means that the DC Barrier Value for the relevant MFP Coupon Valuation Date or MFP Coupon Valuation Period is (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the Barrier Level or (e) "within" the Barrier Range Level, in each case as specified in the applicable Final Terms; or (f) "outside" the Barrier Range Level, in each case as specified in the applicable Final Terms;

"**Additional Final Payout**" means each Final Payout specified as such in the applicable Final Terms before being multiplied by the applicable Notional Amount for the relevant Weighted Mixed Payouts Securities or Max Mixed Payouts Securities and if Payout FX Conversion is specified as applicable in the applicable Final Terms, converted into the Payout Currency at the Payout FX Value, in each case specified in the applicable Final Terms;

"**Additional Final Payout 1**" means each Final Payout specified as such in the applicable Final Terms before being multiplied by the applicable Notional Amount for the relevant Knock-In Mixed Payouts Securities and for the relevant Knock-out Mixed Payouts Securities if Payout FX Conversion is

specified as applicable in the applicable Final Terms, converted into the Payout Currency at the Payout FX Value, in each case specified in the applicable Final Terms;

"**Additional Final Payout 2**" means each Final Payout specified as such in the applicable Final Terms before being multiplied by the applicable Notional Amount for the relevant Knock-In Mixed Payouts Securities and for the relevant Knock-out Mixed Payouts Securities if Payout FX Conversion is specified as applicable in the applicable Final Terms, converted into the Payout Currency at the Payout FX Value, in each case specified in the applicable Final Terms;

"**Additional Final Payout Weighting**" is the number, amount or percentage specified as such in the applicable Final Terms;

"**Additional Gearing**" means the percentage specified as such in the applicable Final Terms;

"**Barrier Condition**" means that Coupon Value for the relevant Underlying Reference for the relevant MFP Valuation Date is (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the Barrier Level;

"**Barrier Level**" means the percentage, number or amount specified as such in the applicable Final Terms or, if specified in the applicable Final Terms, the product of the Barrier Percentage and the Strike Level rounded upwards or downwards as determined by the Calculation Agent acting in good faith and a commercially reasonable manner;

"**Barrier Percentage Strike Price**" means the percentage specified as such in the applicable Final Terms;

"**Barrier Percentage**" means the percentage specified as such in the applicable Final Terms;

"Barrier Range Level" means the range of levels, amounts, numbers or percentages specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions;

"**Bonus Coupon**" means the percentage specified as such in the applicable Final Terms;

"**Bonus Level Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Bonus Level**" means the number or amount specified as such in the applicable Final Terms or, if specified in the applicable Final Terms, the product of the Bonus Percentage and the Strike Level rounded upwards or downwards as determined by the Calculation Agent acting in good faith and a commercially reasonable manner;

"**Bonus Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Bonus Percentage 1**" means the percentage specified as such in the applicable Final Terms;

"**Bonus Percentage 2**" means the percentage specified as such in the applicable Final Terms;

"**Bonus Percentage 3**" means the percentage specified as such in the applicable Final Terms;

"**Bonus Percentage 4**" means the percentage specified as such in the applicable Final Terms;

"**Bonus Floor Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Cap Level Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Cap Level Percentage 1**" means the percentage specified as such in the applicable Final Terms;

"**Cap Level Percentage 2**" means the percentage specified as such in the applicable Final Terms;

"**Cap Level**" means the number or amount specified as such in the applicable Final Terms or, if specified in the applicable Final Terms, the product of the Cap Percentage and the Strike Level rounded upwards or downwards as determined by the Calculation Agent acting in good faith and a commercially reasonable manner;

"**Cap Percentage**" is as defined in the relevant Final Terms;

"**Cap Percentage 1**" is as defined in the relevant Final Terms;

"**Cap Percentage 2**" is as defined in the relevant Final Terms;

"**Cap Percentage 3**" is as defined in the relevant Final Terms;

"**Cap**" means the percentage specified as such in the applicable Final Terms;

"**Constant A**" means the percentage specified as such in the applicable Final Terms;

"**Constant B**" means the percentage specified as such in the applicable Final Terms;

"**Constant Mixed Percentage**" is as defined in the relevant Final Terms;

"**Constant Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Constant Percentage 1**" means the percentage specified as such in the applicable Final Terms;

"**Constant Percentage 2**" means the percentage specified as such in the applicable Final Terms;

"**Constant Percentage 3**" means the percentage specified as such in the applicable Final Terms;

"**Constant Percentage 4**" means the percentage specified as such in the applicable Final Terms;

"**Constant Percentage 5**" means the percentage specified as such in the applicable Final Terms;

"**Constant Percentage 6**" means the percentage specified as such in the applicable Final Terms;

"**Constant Percentage 7**" means the percentage specified as such in the applicable Final Terms;

"**Constant Percentage 8**" means the percentage specified as such in the applicable Final Terms;

"**Constant Percentage 9**" means the percentage specified as such in the applicable Final Terms;

"**Constant Percentage 10**" means the percentage specified as such in the applicable Final Terms;

"**Constant Percentage 11**" means the percentage specified as such in the applicable Final Terms;

"**Constant Percentage 12**" means the percentage specified as such in the applicable Final Terms;

"**Constant Percentage 13**" means the percentage specified as such in the applicable Final Terms;

"**Constant Percentage 14**" means the percentage specified as such in the applicable Final Terms;

"**Constant Percentage 15**" means the percentage specified as such in the applicable Final Terms;

"**Constant Percentage 16**" means the percentage specified as such in the applicable Final Terms;

"**Constant Percentage 17**" means the percentage specified as such in the applicable Final Terms;

"**Conversion Rate Early**" means the Conversion Rate on (a) the Relevant Automatic Early Settlement Valuation Date or (b) the relevant Optional Settlement Valuation Date, as applicable;

"**Conversion Rate Final**" means the Conversion Rate on the Valuation Date;

"**Coupon Airbag Percentage 1**" means the percentage specified as such in the applicable Final Terms;

"**Coupon Airbag Percentage 2**" means the percentage specified as such in the applicable Final Terms;

"**Coupon Airbag Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Coupon Cap**" means the percentage specified as such in the applicable Final Terms;

"**Coupon Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Coupon Percentage 1**" means the percentage specified as such in the applicable Final Terms;

"**Coupon Percentage 2**" means the percentage (which can also be a negative percentage) specified as such in the applicable Final Terms;

"**Coupon Value**" means, in respect of a MFP Coupon Valuation Date or MFP Coupon Valuation Period, the value from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (G*reatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts)*, 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms;

"**Coupon Weighting**" means the number, amount or percentage specified as such in the applicable Final Terms;

"**Cumulative Inflation Rate**" means Inflation $Index_{(i)}$/Inflation $Index_{(base)}$;

"**DC Barrier Value**" means, in respect of a MFP Coupon Valuation Date or MFP Coupon Valuation Period, the value from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (G*reatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts)*, 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms;

"**Digital Cap Percentage 1**" means the percentage specified as such in the applicable Final Terms;

"**Digital Cap Percentage 2**" means the percentage specified as such in the applicable Final Terms;

"**Digital Coupon Condition**" means that the DC Barrier Value for the relevant MFP Coupon Valuation Date or MFP Coupon Valuation Period is (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the Barrier Level or (e) "within" the Barrier Range Level, in each case as specified in the applicable Final Terms; or (f) "outside" the Barrier Range Level, in each case as specified in the applicable Final Terms;

"**Digital Floor Percentage 1**" means the percentage specified as such in the applicable Final Terms;

"**Digital Floor Percentage 2**" means the percentage specified as such in the applicable Final Terms;

"**Digital Plus Percentage 1**" means the percentage specified as such in the applicable Final Terms;

"**Digital Plus Percentage 2**" means the percentage specified as such in the applicable Final Terms;

"**Double Digital Coupon Condition 1**" means that the DC Barrier Value for the relevant MFP Coupon Valuation Date or MFP Coupon Valuation Period is (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the Barrier Level or (e) "within" the Barrier Range Level, in each case as specified in the applicable Final Terms; or (f) "outside" the Barrier Range Level, in each case as specified in the applicable Final Terms;

"**Double Digital Coupon Condition 2**" means that the DC Barrier Value for the relevant MFP Coupon Valuation Date or MFP Coupon Valuation Period is (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the Barrier Level or (e) "within" the Barrier Range Level, in each case as specified in the applicable Final Terms; or (f) "outside" the Barrier Range Level, in each case as specified in the applicable Final Terms;

"**Down Cap Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Down Final Settlement Value**" means the value from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (G*reatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts)*, 8.3 (*Lowest*

Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts), 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms;

"**Down Floor Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Down Strike Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Downside Participation Factor**" means the percentage specified as such in the applicable Final Terms;

"**EDS Barrier Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Exchange Rate Final**" means the Exchange Rate on the Valuation Date;

"**Exchange Rate Initial**" means the Exchange Rate on the Strike Date;

"**Exchange Rate**" means, in respect of a day, the rate of exchange (including any rates of exchange pursuant to which the relevant rate of exchange is derived), between the currencies and from the source(s) and at the time in each case specified in the applicable Final Terms on such day;

"**Express Amount**" means the amount specified as such in the applicable Final Terms;

"**FI Basket 1**" means the basket of Alternative Currencies specified as such in the applicable Final Terms;

"**FI Basket 2**" means the basket of Alternative Currencies specified as such in the applicable Final Terms;

"**FI Constant Percentage** " means the percentage specified as such in the applicable Final Terms;

"**FI Constant Percentage 1**" means the percentage specified as such in the applicable Final Terms;

"**FI DC Barrier Value**" means, in respect of a FI Remuneration Valuation Date and an Underlying Reference, the Underlying Reference Closing Value for such Underlying Reference;

"**FI Digital Cap Condition**" means the FI Digital Value for the relevant FI Valuation Date is greater than or equal to the FI Digital Cap Level;

"**FI Digital Cap Level**" means (a) the FX Digital Level or (b) the level specified as such, in each case, as specified in the applicable Final Terms;

"**FI Digital Coupon Condition**" means:

(a) (A) if FI Basket 1 is specified as not applicable in the applicable Final Terms, that the FI DC Barrier Value for Underlying Reference 1 for the relevant FI Remuneration Valuation Date is or (B) if FI Basket 1 is specified as applicable in the applicable Final Terms, the FX Coupon

Performance for FI Basket 1 for the relevant FI Remuneration Valuation Date is (i)(a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the FI Upper Barrier Level and (ii) if a FI Lower Barrier Level is specified in the applicable Final Terms, (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the FI Lower Barrier Level; and/or

(b) if FI Digital Coupon Condition 2 is specified as applicable in the applicable Final Terms, (A) if FI Basket 2 is specified as not applicable in the applicable Final Terms that the FI DC Barrier Value for Underlying Reference 2 for the relevant FI Remuneration Valuation Date is or (B) if FI Basket 2 is specified as applicable in the applicable Final Terms, the FX Coupon Performance for FI Basket 2 for the relevant FI Remuneration Valuation Date is (i)(a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the FI Upper Barrier Level 2 and (ii) if a FI Lower Barrier Level 2 is specified in the applicable Final Terms, (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the FI Lower Barrier Level 2;

"**FI Digital Floor Condition**" means the FI Digital Value for the relevant FI Valuation Date is less than or equal to the FI Digital Floor Level;

"**FI Digital Floor Level**" means (a) the FX Digital Level or (b) the level specified as such, in each case, as specified in the applicable Final Terms;

"**FI Digital Floor Percentage**" means the percentage specified as such in the applicable Final Terms;

"**FI Digital Plus Condition**" means the FI Digital Value for the relevant FI Valuation Date is greater than the FI Digital Plus Level;

"**FI Digital Plus Level**" means (a) the FX Digital Level or (b) the level specified as such, in each case, as specified in the applicable Final Terms;

"**FI Digital Value**" means, in respect of a FI Valuation Date, the Performance Value as specified in the applicable Final Terms;

"**FI Lower Barrier Level 2**" means the number, level or percentage specified as such in the applicable Final Terms;

"**FI Lower Barrier Level**" means the number, level or percentage specified as such in the applicable Final Terms;

"**FI Rate A**" means the Rate or Inflation Rate as specified in the applicable Final Terms;

"**FI Rate B**" means the Rate or Inflation Rate as specified in the applicable Final Terms;

"**FI Rate**" means the Rate or Inflation Rate as specified in the applicable Final Terms;

"**FI Remuneration Valuation Date**" means each Underlying Interest Determination Date, Remuneration Determination Date, Pricing Date, Averaging Date, Valuation Date, Remuneration Valuation Date and/or Settlement Price Date specified as such in the applicable Final Terms or each Range Accrual Day;

"**FI Settlement Valuation Date**" means each Settlement Price Date or Pricing Date specified as such in the applicable Final Terms;

"**FI Upper Barrier Level 2**" means the number, level or percentage specified as such in the applicable Final Terms;

"**FI Upper Barrier Level**" means the number, level or percentage specified as such in the applicable Final Terms;

"**FI Valuation Date**" means each FI Settlement Valuation Date or an FI Remuneration Valuation Date specified in the applicable Final Terms;

"**Final Coupon Rate**" means the Remuneration Rate calculated in respect of the Current Remuneration Period or Target Final Remuneration Period, as applicable (the "**Final Remuneration Period**");

"**Final Day Count Fraction**" means the Day Count Fraction applicable to the Final Remuneration Period;

"**Final Reference Level**" means:

(a) if Averaging is not specified as being applicable in the applicable Final Terms, the Settlement Price on the Valuation Date; or

(b) if Averaging is specified as being applicable in the applicable Final Terms, the arithmetic average of the Settlement Prices determined on each of the Averaging Dates;

"**Final Remuneration Rate**" means:

(a) if Capped and Guaranteed Applicable is specified in the applicable Final Terms, the Automatic Early Settlement Percentage or Target Coupon Percentage, as applicable, less Paid Coupon;

(b) if Capped and Guaranteed Not Applicable is specified in the applicable Final Terms, the product of the Final Coupon Rate and the Final Day Count Fraction;

(c) if Capped Only is specified in the applicable Final Terms:

Min (Final Coupon Rate × Final Day Count Fraction, Automatic Early Settlement Percentage or Target Coupon Percentage, as applicable, – Paid Coupon);

(d) If Guaranteed Only is specified in the applicable Final Terms:

Max (Final Coupon Rate × Final Day Count Fraction, Automatic Early Settlement Percentage or Target Coupon Percentage, as applicable, – Paid Coupon).

"**Final Settlement Condition**" means that:

(a) the FS Barrier Value for the relevant MFP FS Barrier Valuation Date or MFP FS Barrier Valuation Period is (a) greater than, (b) less than, (c) equal to or greater than (d) less than or equal to, as specified in the applicable Final Terms, the Final Settlement Condition Level, or (e) "within" the Final Settlement Range Level, or (f) "outside" the Final Settlement Range Level, all as specified in the applicable Final Terms (the "**Final Settlement Condition 1**"); and/or (as specified in the applicable Final Terms)

(b) the FS Barrier Value 2 for the relevant MFP FS Barrier Valuation Date or MFP FS Barrier Valuation Period is (a) greater than, (b) less than, (c) equal to or greater than (d) less than or equal to, the Final Settlement Condition Level 2 or (e) "within" the Final Settlement Range Level, or (f) "outside" the Final Settlement Range Level, all as specified in the applicable Final Terms (the "**Final Settlement Condition 2**");

"**Final Settlement Condition Level**" means the percentage, amount or number specified as such in the applicable Final Terms;

"**Final Settlement Condition Level 2**" means the percentage, amount or number specified as such in the applicable Final Terms;

"**Final Settlement Price**" means, in respect of a Alternative/Base Currency, (i) if Averaging is specified as not applicable in the applicable Final Terms, the Settlement Price on the relevant FI Valuation Date, (ii) if Averaging is specified as applicable in the applicable Final Terms, the arithmetic average of the Settlement Prices for all Averaging Dates, (iii) if Highest Look Back is specified as applicable in the applicable Final Terms, the highest Settlement Price for such Alternative/Base Currency for all Averaging Dates or (iv) if Lowest Look Back is specified as applicable in the applicable Final Terms, the lowest Settlement Price for such Alternative/Base Currency for all Averaging Dates;

"**Final Settlement Range Level**": means the range of levels, amounts, numbers or percentages specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions, as applicable;

"**Final Settlement Value**" means the value from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (*Greatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts)*, 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms;

"**Final Settlement Value 1**" means the value from from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (G*reatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts)*, 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms;

"**Final Settlement Value 2**" means the value from from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (G*reatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts)*, 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms;

"**Final Settlement Value 3**" means the value from from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (G*reatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts)*, 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms;

"**Final Settlement Value 4**" means the value from from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (G*reatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts)*, 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms;

"**Fixed Income Automatic Early Settlement Payouts**" means the Automatic Early Settlement Payouts contained in the Automatic Early Settlement Payouts Formulas Conditions 2.1(g) and 2.1(h);

"**Fixed Income Final Payouts**" means the Final Payouts contained in the Formulas Conditions from (and including) 1.1(lll) to (and including) 1.1 (qqq);

"**Fixed Income Payouts**" means the Fixed Income Final Payouts and the Fixed Income Automatic Early Settlement Payouts;

"**Fixed Income Remuneration Rates**" means Remuneration Rates contained in the Remuneration Rates Formulas Conditions 5.1(k), 5.1(l), 5.1(m), 5.1(n), 5.1(o), 5.1(p), 5.1(q), 5.1(r), 5.1(s), 5.1(t), 5.1(u), 5.1(v);

"**Fixed Percentage**" is as defined in the relevant Final Terms;

"**Floor Percentage**" is as defined in the relevant Final Terms;

"**Floor Percentage 1**" is as defined in the relevant Final Terms;

"**Floor Percentage 2**" is as defined in the relevant Final Terms;

"**Floor**" means the amount or percentage specified as such in the applicable Final Terms;

"**FS Barrier Value**" means, in respect of a MFP FS Barrier Valuation Date or MFP FS Barrier Valuation Period, the value from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (G*reatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts)*, 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms;

"**FS Barrier Value 2**" means, in respect of a MFP FS Barrier Valuation Date or MFP FS Barrier Valuation Period, the value from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (G*reatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts)*, 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms;

"**FS Calculation Period**" means the period from (and including) the Remuneration Payment Date, immediately preceding the Final Valuation Date (or if none the Issue Date) to (but excluding) the Final Valuation Date;

"**FS Cap Percentage**" means the percentage specified as such in the applicable Final Terms;

"**FS Constant Percentage**" means the percentage specified as such in the applicable Final Terms;

"**FS CSN Rate**" means a percentage calculated as the product of the FS Rate and the applicable FS Day Count Fraction;

"**FS Day Count Fraction**" means the Day Count Fraction specified as such in the applicable Final Terms;

"**FS Exit Rate**" means any of FS Rate, FS up Rate or FS CSN Rate as specified in the applicable Final Terms;

"**FS Floor Percentage**" means the percentage specified as such in the applicable Final Terms;

"**FS Gearing**" means the percentage specified as such in the applicable Final Terms;

"**FS Rate**" means the rate specified as such or determined in the manner set out in, the applicable Final Terms. If the applicable Final Terms specify that the FS Rate is to be determined by reference to a Screen Rate, the FS Rate shall be calculated pursuant to Security Condition 17.5(d) (*AES Rate Determination*), as applicable, save that references therein to "AES" shall be deemed to be references to "FS";

"**FS Spread**" means the percentage specified as such in the applicable Final Terms;

"**FS Strike Percentage**" means the percentage specified as such in the applicable Final Terms;

"**FS Up Rate**" means:

(a) if Cap is specified as applicable in the applicable Final Terms:

Min (Max (FS Floor Percentage, FS Gearing × (FS Value - FS Strike Percentage) + FS Spread), FS Cap Percentage) + FS Constant Percentage

(b) if Cap is specified as not applicable in the applicable Final Terms:

Max (FS Floor Percentage, FS Gearing × (FS Value - FS Strike Percentage) + FS Spread) + FS Constant Percentage

"**FS Value**" means, in respect of a MFP FS Valuation Date or MFP FS Valuation Period, the value from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (G*reatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts)*, 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms;

"**FX Coupon Performance**" means, in respect of an FI Remuneration Valuation Date:

(i) in the case of Securities relating to a single Alternative Currency, the FX Coupon Performance Value;

(ii) if Weighted Basket is specified as applicable in the applicable Final Terms, the sum of the values calculated for each Alternative Currency in the Relevant Basket as (a) the FX Coupon Performance Value for the relevant Alternative Currency for such FI Remuneration Valuation Date (b) multiplied by the relevant FX Weighting;

(iii) if Best Of Weighted Basket is specified as applicable in the applicable Final Terms, the highest FX Coupon Performance Value of any Alternative Currency in the Relevant Basket in respect of such FI Remuneration Valuation Date;

(iv) if Worst Of Weighted Basket is specified as applicable in the applicable Final Terms, the lowest FX Coupon Performance Value of any Alternative Currency in the Relevant Basket in respect of such FI Remuneration Valuation Date;

(v) if Multi Basket is specified as applicable in the Final Terms:

$$\sum_{j=1}^{m}\sum_{i=1}^{n} G_j \times (W_i \times \text{FX Coupon Performance Value})$$

where:

"$\mathbf{G_j}$" means, in respect of a basket of Alternative Currencies, the percentage specified as such for such basket of Alternative Currencies in the applicable Final Terms;

"$\mathbf{W_i}$" means, in respect of an Alternative Currency, the FX Weighting for such Alternative Currency; or

(vi) if Ranked Basket is specified as applicable in the applicable Final Terms, the sum of the values calculated for each Alternative/Base Currency in the Relevant Basket as (a) the FX Coupon Ranked Value for the relevant Alternative Currency for such FI Remuneration Valuation Date multiplied by (b) the relevant FX Weighting;

"**FX Coupon Performance Value**" means, in respect of an FI Remuneration Valuation Date and an Alternative Currency:

(a) if FX Performance Coupon 1 is specified in the applicable Final Terms,

FX Final Remuneration Settlement Price – FX Initial Remuneration Settlement Price

(b) if FX Performance Coupon 2 is specified in the applicable Final Terms,

FX Initial Remuneration Settlement Price - FX Final Remuneration Settlement Price

(a) if FX Performance Coupon 3 is specified in the applicable Final Terms,

$$\left(\frac{\text{FX Final Remuneration Settlement Price} - \text{FX Initial Remuneration Settlement Price}}{\text{FX Final Remuneration Settlement Price}}\right)$$

(b) if FX Performance Coupon 4 is specified in the applicable Final Terms,

$$\left(\frac{\text{FX Initial Remuneration Settlement Price} - \text{FX Final Remuneration Settlement Price}}{\text{FX Final Remuneration Settlement Price}}\right)$$

(e) if FX Performance Coupon 5 is specified in the applicable Final Terms,

$$\left(\frac{1}{\text{FX Initial Remuneration Settlement Price}}\right) - \left(\frac{1}{\text{FX Final Remuneration Settlement Price}}\right)$$

(f) if FX Performance Coupon 6 is specified in the applicable Final Terms,

$$\left(\frac{1}{\text{FX Final Remuneration Settlement Price}}\right) - \left(\frac{1}{\text{FX Initial Remuneration Settlement Price}}\right)$$

(g) if FX Performance Coupon 7 is specified in the applicable Final Terms,

$$\left(\frac{\text{FX Final Remuneration Settlement Price} - \text{FX Initial Remuneration Settlement Price}}{\text{FX Initial Remuneration Settlement Price}}\right)$$

(h) if FX Performance Coupon 8 is specified in the applicable Final Terms,

$$\left(\frac{\text{FX Initial Remuneration Settlement Price} - \text{FX Final Remuneration Settlement Price}}{\text{FX Initial Remuneration Settlement Price}}\right)$$

(i) if FX Performance Coupon 9 is specified in the applicable Final Terms,

$$\frac{\text{FX Final Remuneration Settlement Price}}{\text{FX Initial Remuneration Settlement Price}}$$

(j) if FX Performance Coupon 10 is specified in the applicable Final Terms,

$$\frac{\text{FX Initial Remuneration Settlement Price}}{\text{FX Final Remuneration Settlement Price}}$$

"**FX Coupon Ranked Value**" means, in respect of an FI Remuneration Valuation Date, the FX Coupon Performance Value in respect of the Alternative/Base Currency with the FX Coupon Ranking in respect of such FI Remuneration Valuation Date set out in the applicable Final Terms;

"**FX Coupon Ranking**" means, in respect of an FI Remuneration Valuation Date, the ordinal positioning of each Alternative/Base Currency by FX Coupon Performance Value from lowest FX Coupon Performance Value to greatest FX Coupon Performance Value in respect of such FI Remuneration Valuation Date

"**FX Final Remuneration Settlement Price**" means, in respect of an Alternative/Base Currency, (i) if Averaging is specified as not applicable in the applicable Final Terms, the Settlement Price on the relevant FI Remuneration Valuation Date, (ii) if Averaging is specified as applicable in the applicable Final Terms, the arithmetic average of the Settlement Prices for all Averaging Dates in respect of the relevant FI Remuneration Valuation Date, (iii) if Highest Look Back is specified as applicable in the applicable Final Terms, the highest Settlement Price for such Alternative/Base Currency for all Averaging Dates in respect of the relevant FI Remuneration Valuation Date or (iv) if Lowest Look Back is specified as applicable in the applicable Final Terms, the lowest Settlement Price for such

Alternative/Base Currency for all Averaging Dates in respect of the relevant FI Remuneration Valuation Date;

"**FX Initial Remuneration Settlement Price**" means, in respect of an Alternative Currency:

(a) the amount specified as such in the applicable Final Terms; or

(b) if Initial Closing Value is specified as applicable in the applicable Final Terms, the Settlement Price for such Alternative Currency on the Strike Date; or

(c) if Initial Average Value is specified as applicable in the applicable Final Terms, the arithmetic average of the Settlement Prices for such Alternative Currency for all the Strike Days in the Strike Period; or

(d) if Highest Look Back Value is specified as applicable in the applicable Final Terms, the highest Settlement Price for such Alternative Currency for all the Strike Days in the Strike Period; or

(e) if Lowest Look Back Value is specified as applicable in the applicable Final Terms, the lowest Settlement Price for such Alternative Currency for all the Strike Days in the Strike Period.

"**FX Performance Value**" means, in respect of an FI Valuation Date:

(a) if Performance Value 1 is specified in the applicable Final Terms,

Final Settlement Price - Initial Settlement Price;

(b) if Performance Value 2 is specified in the applicable Final Terms,

Initial Settlement Price - Final Settlement Price;

(c) if Performance Value 3 is specified in the applicable Final Terms,

$$\left(\frac{\text{Final Settlement Price}-\text{Initial Settlement Price}}{\text{Final Settlement Price}}\right);$$

(d) if Performance Value 4 is specified in the applicable Final Terms,

$$\left(\frac{\text{Initial Settlement Price}-\text{Final Settlement Price}}{\text{Final Settlement Price}}\right);$$

(e) if Performance Value 5 is specified in the applicable Final Terms,

$$\left(\frac{1}{\text{Initial Settlement Price}}\right)-\left(\frac{1}{\text{Final Settlement Price}}\right);$$

(f) if Performance Value 6 is specified in the applicable Final Terms,

$$\left(\frac{1}{\text{Final Settlement Price}}\right)-\left(\frac{1}{\text{Initial Settlement Price}}\right);$$

(g) if Performance Value 7 is specified in the applicable Final Terms,

$$\left(\frac{\text{Final Settlement Price} - \text{Initial Settlement Price}}{\text{Initial Settlement Price}}\right);$$

(h) if Performance Value 8 is specified in the applicable Final Terms,

$$\left(\frac{\text{Initial Settlement Price} - \text{Final Settlement Price}}{\text{Initial Settlement Price}}\right);$$

(i) if Performance Value 9 is specified in the applicable Final Terms,

$$\frac{\text{Final Settlement Price}}{\text{Initial Settlement Price}};$$

(j) if Performance Value 10 is specified in the applicable Final Terms,

$$\frac{\text{Initial Settlement Price}}{\text{Final Settlement Price}};$$

"**FX Ranking**" means, in respect of an FI Valuation Date, the ordinal positioning of each Alternative/Base Currency by FX Performance Value from lowest FX Performance Value to greatest FX Performance Value in respect of such FI Valuation Date;

"**FX Weighting**" means, in respect of an Alternative Currency, the number, amount or percentage specified as such for such Alternative Currency in the applicable Final Terms;

"**Gearing**" means the number specified as such in the applicable Final Terms;

"**Gearing A**" means the number specified as such in the applicable Final Terms;

"**Gearing B** " means the number specified as such in the applicable Final Terms;

"**Gearing Down**" means the percentage specified as such in the applicable Final Terms;

"**Gearing Up**" means the percentage specified as such in the applicable Final Terms;

"**Global Cap**" means the percentage specified as such in the applicable Final Terms;

"**Global Cap A**" means the percentage specified as such in the applicable Final Terms;

"**Global Cap B**" means the percentage specified as such in the applicable Final Terms;

"**Global Floor**" means the percentage specified as such in the applicable Final Terms;

"**Global Floor A**" means the percentage specified as such in the applicable Final Terms;

"**Global Floor B**" means the percentage specified as such in the applicable Final Terms;

"**Global Floor Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Global Margin**" means the percentage specified as such in the applicable Final Terms;

"**i**" means the number specified as such in the applicable Final Terms;

"***i***" means the relevant MFP Valuation Date, MFP Valuation Period, or any Valuation Date or Valuation Period as indicated in the applicable Final Terms;

"**Inflation Index**$_{(base)}$" means, in respect of an Underlying Reference, the Underlying Reference Closing Value for such Underlying Reference on the Strike Date;

"**Inflation Index**$_{(i)}$**"** means, in respect of an Underlying Reference, the Underlying Reference Closing Value for such Underlying Reference in respect of the relevant FI Valuation Date;

"**Inflation Index**$_{(i-1)}$" means, in respect of an Underlying Reference, the Underlying Reference Closing Value for such Underlying Reference on the immediately preceding FI Valuation Date (or, if none, the Strike Date);

"**Inflation Rate**" means, in respect of a FI Valuation Date, YoY Inflation Rate or Cumulative Inflation Rate, as specified in the applicable Final Terms;

"**Initial Reference Level**" is as defined in the Final Terms;

"**Initial Settlement Price**" means, in respect of an Alternative Currency:

(a) the amount specified as such in the applicable Final Terms; or

(b) if Initial Closing Value is specified as applicable in the applicable Final Terms, the Settlement Price for such Alternative Currency on the Strike Date; or

(c) if Initial Average Value is specified as applicable in the applicable Final Terms, the arithmetic average of the Settlement Prices for such Alternative Currency for all the Strike Days in the Strike Period; or

(d) if Highest Look Back Value is specified as applicable in the applicable Final Terms, the highest Settlement Price for such Alternative Currency for all the Strike Days in the Strike Period; or

(e) if Lowest Look Back Value is specified as applicable in the applicable Final Terms, the lowest Settlement Price for such Alternative Currency for all the Strike Days in the Strike Period.

"***j***" means the relevant Strike Date;

"***k***" means the relevant Underlying Reference;

"***K***" means the total number of Underlying References in the Basket;

"**L**" means the percentage specified as such in the applicable Final Terms;

"**Listing Date**" means, in respect of any Securities, the date on which such Securities are first admitted to trading on any stock exchange or other trading or quotation system;

"**Local Cap**" means the percentage specified as such in the applicable Final Terms;

"**Local Cap Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Local Cap Percentage$_{(i)}$**" means the percentage specified as such in the applicable Final Terms;

"**Local Floor**" means the percentage specified as such in the applicable Final Terms;

"**Local Floor Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Local Floor Percentage$_{(i)}$"** means the percentage specified as such in the applicable Final Terms;

"**Loss Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Loss Percentage 1**" means the percentage specified as such in the applicable Final Terms;

"**Loss Percentage** 2" means the percentage specified as such in the applicable Final Terms;

"**Lower Level**" means the number or amount specified as such in the applicable Final Terms;

"**M**" means a series of MFP Valuation Dates or MFP Valuation Periods;

"**m**" means the relevant MFP Valuation Date or MFP Valuation Period;

"**Maximum Payout Amount**" means the amount specified as such in the applicable Final Terms;

"**MFP Automatic Early Settlement Payout**" means the Automatic Early Settlement Payout contained in the Automatic Early Settlement Payouts Formulas Condition 2.1(d);

"**MFP Call Payouts**" means the Call Payout contained in the Securityholder Call Option Payouts Formulas Condition 4.1(d);

"**MFP Coupon Valuation Date**" means each MFP Range Accrual Day, Averaging Date, Valuation Date, Pricing Date, Settlement Price Date and/or Underlying Interest Determination Date specified as such in the applicable Final Terms;

"**MFP Coupon Valuation Period**" means the period specified as such in the applicable Final Terms;

"**MFP Coupon Valuation Period$_{(i)}$"** means the period specified as such in the applicable Final Terms;

"**MFP Date Weighting**" means, in respect of a MFP Valuation Date, the number, amount or percentage specified as such for such date in the applicable Final Terms;

"**MFP Double Digital Mixed Coupon Condition 1**" means that the Mixed Barrier Value for the relevant MFP Coupon Valuation Date or MFP Coupon Valuation Period is (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the Mixed Barrier Level; or (e) "within" the Mixed Barrier Range Level, in each case as specified in the

applicable Final Terms; or (f) "outside" the Mixed Barrier Range Level, in each case as specified in the applicable Final Terms;

"**MFP Double Digital Mixed Coupon Condition 2**" means that the Mixed Barrier Value for the relevant MFP Coupon Valuation Date or MFP Coupon Valuation Period is (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the Mixed Barrier Level; or (e) "within" the Mixed Barrier Range Level, in each case as specified in the applicable Final Terms; or (f) "outside" the Mixed Barrier Range Level, in each case as specified in the applicable Final Terms;

"**MFP Entitlement Amounts**" means the Entitlement Amounts contained in the Entitlement Amount Formulas Condition 6 (*MFP Entitlement Amount*);

"**MFP Final Payout**" means the Final Payouts contained in the Formulas Conditions from (and including) 1.1(ii) to (and including) 1.1 (hhh);

"**MFP FS Barrier Valuation Date**" means each Averaging Date, Valuation Date, Pricing Date and/or Settlement Price Date specified as such in the applicable Final Terms;

"**MFP FS Barrier Valuation Period**" means each period specified as such in the applicable Final Terms;

"**MFP FS Valuation Date**" means each Averaging Date, Valuation Date, Pricing Date and/or Settlement Price Date specified as such in the applicable Final Terms; and

"**MFP FS Valuation Period**" means each period specified as such in the applicable Final Terms;

"**MFP Memory Snowball Date**" means each date on which the relevant MFP Memory Snowball Digital Coupon Condition is satisfied or the last day of any MFP Coupon Valuation Period in which the MFP Memory Snowball Digital Coupon Condition is satisfied;

"**MFP Memory Snowball Digital Coupon Condition**" means that the Snowball Barrier Value for the relevant MFP Coupon Valuation Date or MFP Coupon Valuation Period is (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the Snowball Level; or (e) "within" the Barrier Range Level, in each case as specified in the applicable Final Terms; or (f) "outside" the Barrier Range Level, in each case as specified in the applicable Final Terms;

"**MFP Digital Mixed Coupon Condition**" means that the Mixed Barrier Value for the relevant MFP Coupon Valuation Date or MFP Coupon Valuation Period is (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the Mixed Barrier Level; or (e) "within" the Mixed Barrier Range Level, in each case as specified in the applicable Final Terms; or (f) "outside" the Mixed Barrier Range Level, in each case as specified in the applicable Final Terms;

"**MFP Payouts**" means the MFP Final Payout, the MFP Automatic Early Settlement Payouts, the MFP Put Payouts and the MFP Call Payouts.

"**MFP Put Payout**" means the Put Payout contained in the Securityholder Put Option Payouts Formulas Conditions 3.1(d);

"**MFP Range Accrual Coupon Barrier Level Down** " means the percentage, amount or number specified as such in the applicable Final Terms;

"**MFP Range Accrual Coupon Barrier Level Up** " means the percentage, amount or number specified as such in the applicable Final Terms;

"**MFP Range Accrual Coupon Condition**" means:

(a) if Barrier Up is specified as applicable in the applicable Final Terms, that the AC Barrier Value for the relevant MFP Coupon Valuation Date is (i) greater than or (b) equal to or greater than the relevant MFP Range Accrual Coupon Barrier Level Down and (ii) (a) less than or (b) less than or equal to the relevant MFP Range Accrual Coupon Barrier Level Up; or

(b) if Barrier Up is specified as not applicable in the applicable Final Terms, that the AC Barrier Value for the relevant MFP Coupon Valuation Date is equal to or greater than MFP Range Accrual Coupon Barrier Level Down;

"**MFP Range Accrual Day**" means a calendar day, Business Day, Exchange Business Day, Hybrid Business Day, Scheduled Trading Day, MFP Coupon Valuation Date or other day specified as such in the applicable Final Terms;

"**MFP Remuneration Rates**" means Remuneration Rates contained in the Remuneration Rates Formulas Conditions from (and including) 5.1(a) to (and including) 5.1(h);

"**MFP Settlement Valuation Date**" means each Underlying Interest Determination Date, Averaging Date, Valuation Date, Pricing Date and/or Settlement Price Date specified as such in the applicable Final Terms;

"**MFP Settlement Valuation Period**" means each period specified as such in the applicable Final Terms;

"**MFP Valuation Date**" means each MFP Coupon Valuation Date, MFP Settlement Valuation Date, MFP ES Valuation Date, MFP FS Valuation Date, MFP FS Barrier Valuation Date, Knock-in Determination Day, Knock-out Determination Day, MFP EndDay Valuation Date, MFP StartDay Valuation Date, MFP Call Valuation Date, MFP Put Valuation Date, MFP ACS Valuation Date, MFP APS Valuation Date, Automatic Early Settlement Valuation Date, Strike Day or Strike Date specified as such in the applicable Final Terms;

"**MFP Valuation Period**" means each MFP ES Valuation Period, MFP Coupon Valuation Period, MFP FS Barrier Valuation Period, MFP Call Valuation Period, MFP Put Valuation Period, Automatic Early Settlement Valuation Period, Automatic Early Expiration Valuation Period, MFP FS Valuation Period, MFP Settlement Valuation Period, Knock-in Determination Period, Knock-out Determination Period, MFP ACS Valuation Period, or MFP APS Valuation Period, specified in the applicable Final Terms;

"**Mixed Barrier Level**" means the number, amount or percentage specified as such in the applicable Final Terms; or if specified in the applicable Final Terms, the product of the Barrier Percentage and the Strike Level rounded upwards or downwards as determined by the Calculation Agent acting in good faith and a commercially reasonable manner;

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

"**Mixed Barrier Value**" means, in respect of a MFP Coupon Valuation Date or MFP Coupon Valuation Period, the value from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (G*reatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms;

"**Multiple Underlying Interest Rate Gearing**" means, in respect of an Underlying Interest $\text{Rate}_{(i)}$ specified in the applicable Final Terms as a Multiple Underlying Component Rate, the number specified as such in the applicable Final Terms;

"**Multiple Underlying Reference Rate**" means, in respect of an Underlying Interest $\text{Rate}_{(i)}$ specified in the applicable Final Terms as a Multiple Underlying Component Rate, the Underlying Reference Rate determined in respect of such Underlying Interest Rate.

"**n**" means the number specified as such in the applicable Final Terms;

"**N**" is as defined in the applicable Final Terms;

"**NA**" means the Notional Amount;

"**nEnd days**" has the meaning given it in the applicable Final Terms;

"**nStart days**" has the meaning given it in the applicable Final Terms;

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

"**Paid Coupon**" means, in respect of an Automatic Early Settlement Valuation Date or Target Determination Date, the sum of the values calculated for each Remuneration Period as the product of (i)

the Remuneration Rate and (ii) the Day Count Fraction, in each case calculated for each Remuneration Period preceding the Current Remuneration Period (in the case of an Automatic Early Settlement Valuation Date) or the Target Final Remuneration Period (in the case of a Target Determination Date);

"**Parity**" means the number specified as such in the applicable Final Terms;

"**Participation Factor**" means the percentage specified as such in the applicable Final Terms;

"**Payout Currency**" means the currency specified as such in the applicable Final Terms;

"**Payout FX Closing Price Value**" means the rate of exchange between the currencies (including any rates of exchange pursuant to which the relevant rate of exchange is derived) and determined from the source(s) and at the time, in each case specified in the applicable Final Terms for such Payout Currency on the Payout FX Rate Date

"**Payout FX Rate Date**" means the date specified as such in the applicable Final Terms;

"**Payout FX Rate Strike Date**" means the date specified as such in the applicable Final Terms;

"**Payout FX Strike Closing Price Value**" means (i) the rate of exchange between the currencies (including any rates of exchange pursuant to which the relevant rate of exchange is derived) and determined from the source(s) and at the time, in each case specified in the applicable Final Terms on the Payout FX Rate Strike Date or (ii) the rate of exchange specified in the applicable Final Terms, as specified in the applicable Final Terms.

"**Payout FX Value**" means, in respect of a Payout Currency (a) the Payout FX Closing Price Value divided by (b) the Payout FX Strike Closing Price Value;

"**Performance of Components**" means an amount calculated by the Calculation Agent in respect of the Component in accordance with the following formula:

$$\left[\frac{\textbf{Final Reference Level}}{\textbf{Initial Reference Level}}\right] - \mathbf{1}$$

"**Performance of Underlying 1**" means an amount calculated by the Calculation Agent in respect of the Underlying Reference identified as Underlying Reference 1 in the Final Terms in accordance with the following formula:

$$\left[\frac{\textbf{Final Reference Level}}{\textbf{Initial Reference Level}}\right] - \mathbf{1}$$

"**Performance of Underlying 2**" means an amount calculated by the Calculation Agent in respect of the Underlying Reference identified as Underlying Reference 2 in the Final Terms in accordance with the following formula:

$$\left[\frac{\textbf{Final Reference Level}}{\textbf{Initial Reference Level}}\right] - \mathbf{1}$$

"**Performance Value**" means, in respect of an FI Valuation Date:

(i) in the case of Securities relating to a single Alternative Currency, the FX Performance Value;

(ii) if Weighted Basket is specified as applicable in the applicable Final Terms, the sum of the values calculated for each Alternative Currency in the Basket as (a) the FX Performance Value for the relevant Alternative Currency for such FI Valuation Date (b) multiplied by the relevant FX Weighting;

(iii) if Best Of Weighted Basket is specified as applicable in the applicable Final Terms, the highest FX Performance Value of any Alternative Currency in the Relevant Basket in respect of such FI Valuation Date;

(iv) if Worst Of Weighted Basket is specified as applicable in the applicable Final Terms, the lowest FX Performance Value of any Alternative Currency in the Relevant Basket in respect of such FI Valuation Date;

(v) if Multi Basket is specified as applicable in the Final Terms:

$$\sum_{j=1}^{m}\sum_{i=1}^{n} G_j \times (W_i \times \text{FX Performance Value})$$

where:

"$\mathbf{G_j}$" means, in respect of a basket of Alternative Currencies, the percentage specified as such for such basket of Alternative Currencies in the applicable Final Terms;

"$\mathbf{W_i}$" means, in respect of an Alternative Currency, the FX Weighting for such Alternative Currency; or

(vi) if Ranked Basket is specified as applicable in the applicable Final Terms, the sum of the values calculated for each Alternative/Base Currency in the Relevant Basket as (a) the Ranked Value for the relevant Alternative Currency for such FI Valuation Date multiplied by (b) the relevant FX Weighting;

"**Premium**" means, the amount in the Settlement Currency or the percentage indicated as such indicated as such in the relevant Final Terms;

"**Premium Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Protection Factor**" means the percentage specified as such in the applicable Final Terms;

"**Protection Level**" means the number specified as such in the applicable Final Terms;

"**Q**" is a series of MFP Valuation Dates in MFP Valuation $\text{Period}_{(i)}$ or Calculation $\text{Period}_{(i)}$;

"**q**" means the relevant Observation Date or MFP Valuation Date;

"**Range Accrual Coupon Barrier Level Down**" means the number, level or percentage specified as such in the applicable Final Terms;

"**Range Accrual Coupon Barrier Level Down 2**" means the number, level or percentage specified as such in the applicable Final Terms;

"**Range Accrual Coupon Barrier Level Up**" means the number, level or percentage specified as such in the applicable Final Terms;

"**Range Accrual Coupon Barrier Level Up 2**" means the number, level or percentage specified as such in the applicable Final Terms;

"**Range Accrual Coupon Condition**" means:

(a) (A) if FI Basket 1 is specified as not applicable in the applicable Final Terms, that the FI DC Barrier Value for Underlying Reference 1 for the relevant Range Accrual Day is or (B) if FI Basket 1 is specified as applicable in the applicable Final Terms, the FX Coupon Performance for FI Basket 1 for the relevant FI Remuneration Valuation Date is (a)(i) greater than, (ii) less than, (iii) equal to or greater than or (iv) less than or equal to, as specified in the applicable Final Terms, the relevant Range Accrual Coupon Barrier Level Down and (b) if a Range Accrual Coupon Barrier Level Up is specified in the applicable Final Terms, (i) greater than, (ii) less than, (iii) equal to or greater than or (iv) less than or equal to, as specified in the applicable Final Terms, the relevant Range Accrual Coupon Barrier Level Up; and/or

(b) if Range Accrual Coupon Condition 2 is specified as applicable in the applicable Final Terms (A) if FI Basket 2 is specified as not applicable in the applicable Final Terms, that the FI DC Barrier Value for Underlying Reference 2 for the relevant Range Accrual Day is or (B) if FI Basket 2 is specified as applicable in the applicable Final Terms, the FX Coupon Performance for FI Basket 2 for the relevant FI Remuneration Valuation Date is (a)(i) greater than, (ii) less than, (iii) equal to or greater than or (iv) less than or equal to, as specified in the applicable Final Terms, the relevant Range Accrual Coupon Barrier Level Down 2 and (b) if a Range Accrual Coupon Barrier Level Up 2 is specified in the applicable Final Terms, (ii) greater than, (ii) less than, (iii) equal to or greater than or (iv) less than or equal to, as specified in the applicable Final Terms, the relevant Range Accrual Coupon Barrier Level Up 2;

"**Range Accrual Day**" means a Scheduled Trading Day, Business Day, Commodity Business Day, Underlying Interest Determination Date, Hybrid Business Day or calendar day, as specified in the applicable Final Terms;

"**Range Cut-off Date**" means the date specified as such in the applicable Final Terms;

"**Range Period End Date**" means the date specified as such in the applicable Final Terms;

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

"**Ranked Value**" means, in respect of an FI Valuation Date, the FX Performance Value in respect of the Alternative/Base Currency with the FX Ranking in respect of such FI Valuation Date set out in the applicable Final Terms;

"**Rate**" means, in respect of a FI Remuneration Valuation Date, the fixed rate specified in or the floating rate calculated as provided in, the applicable Final Terms;

"**Rate$_{(i)}$**" means, in respect of a MFP Coupon Valuation Date or MFP Coupon Valuation Period:

(i) the fixed rate specified in or the floating rate calculated as provided in the applicable Final Terms; or

(ii) the Vanilla Call Rate or Vanilla Call Spread Rate specified in the applicable Final Terms.

"**Rate 1$_{(i)}$**" means, in respect of a MFP Coupon Valuation Date or MFP Coupon Valuation Period:

(i) the fixed rate specified in or the floating rate calculated as provided in the applicable Final Terms; or

(ii) the Vanilla Call Rate or Vanilla Call Spread Rate specified in the applicable Final Terms.

"**Rate 2$_{(i)}$**" means, in respect of a MFP Coupon Valuation Date or MFP Coupon Valuation Period:

(i) the fixed rate specified in or the floating rate calculated as provided in the applicable Final Terms; or

(ii) the Vanilla Call Rate or Vanilla Call Spread Rate specified in the applicable Final Terms.

"**Relevant Basket**" means FI Basket 1 or FI Basket 2, as applicable;

"**Relevant Level**" has the meaning given to it in the applicable Final Terms;

"**Reverse Capped Securities Percentage 1**" means the percentage specified as such in the applicable Final Terms;

"**Reverse Capped Securities Percentage 2**" means the percentage specified as such in the applicable Final Terms;

"**Reverse Capped Securities Percentage 3**" means the percentage specified as such in the applicable Final Terms;

"**Reverse Capped Securities Percentage 4**" means the percentage specified as such in the applicable Final Terms;

"**Reverse Capped Securities Percentage 5**" means the percentage specified as such in the applicable Final Terms;

"**Reverse Level**" means the number or amount specified as such in the applicable Final Terms or, if not so specified in the applicable Final Terms, the product of the Reverse Percentage and the Strike Level

rounded upwards or downwards as determined by the Calculation Agent acting in good faith and a commercially reasonable manner;

"**Reverse Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Settlement Payout**" means the Final Payout specified in the applicable Final Terms before being multiplied by the applicable Notional Amount;

"**Settlement Price Final**" means the Settlement Price on the Valuation Date;

"**SFP Automatic Early Settlement Payout**" means the Automatic Early Settlement Payout contained in the Automatic Early Settlement Payouts Formulas Condition 2.1 (c);

"**SFP Call Payouts**" means the Call Payouts contained in the Securityholder Call Option Payouts Formulas Conditions from (and including) 4.1(a) to (and including) 4.1(c);

"**SFP Final Payout**" means the Final Payouts contained in the Formulas Conditions from (and including) 1.1(a) to (and including) 1.1 (hh);

"**SFP Payouts**" means the SFP Final Payout, the SFP Automatic Early Settlement Payouts, the SFP Put Payouts and the SFP Call Payouts;

"**SFP Put Payouts**" means the Put Payouts contained in the Securityholder Put Option Payouts Formulas Conditions from (and including) 3.1(a) to (and including) 3.1(c);

"**Snowball Barrier Value**" means, in respect of a MFP Coupon Valuation Date or MFP Coupon Valuation Period, the value from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (G*reatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts)*, 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms;

"**Snowball Level**" means the number, amount or percentage specified as such in the applicable Final Terms;

"**Speed Factor**" means the number specified as such in the applicable Final Terms;

"**Spread**" means the percentage specified as such in the applicable Final Terms;

"**Spread$_{(i)}$**" means the percentage specified as such in the applicable Final Terms;

"**Strike Level**" means:

(i) if the relevant Underlying Reference is an Index, the Closing Level;

(ii) if the relevant Underlying Reference is a Share, the Closing Price or the Italian Securities Reference Price, as specified in the applicable Final Terms;

(iii) if the relevant Underlying Reference is an ETI, the Closing Price;

(iv) if the relevant Underlying Reference is a Commodity or a Commodity Index, the Relevant Price;

(v) if the relevant Underlying Reference is a Currency or Future, the Settlement Price; or

(vi) if the relevant Underlying Reference is a Debt Instrument, the Settlement Price,

(vii) if the relevant Underlying Reference is a Fund, the NAV per Fund Share.

in each case on the Strike Date;

"**Strike Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Strike Price**" means the price, level or amount specified as such in the applicable Final Terms;

"**T**" means the relevant Observation Date or MFP Valuation Date;

"**Target Coupon Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Target Determination Date**" means each date specified as such in the applicable Final Terms;

"**Target Final Remuneration Period**" means the Remuneration Period ending on the Settlement Date;

"Underlying Reference 1" means the Underlying Reference specified as such in the applicable Final Terms;

"Underlying Reference 2" means the Underlying Reference specified as such in the applicable Final Terms;

"**Underlying Reference Closing Value**" means, in respect of a FI Valuation Date:

(a) if the relevant Underlying Reference is an Inflation Index, the Relevant Level (as defined in the Inflation Security Conditions); or

(b) if the relevant Underlying Reference is a rate of interest, the Underlying Reference Rate or, if Multiple Underlying Interest Rate is specified as applicable, the value calculated in accordance with the following formula:

$$\sum_{i=1}^{n} \text{Multiple Underlying Interest Rate Gearing}_{(i)} \times \text{Multiple Underlying Reference Rate}_{(i)}$$

;

(c) if the relevant Underlying Reference is an Alternative Currency, the Settlement Price or FX Coupon Performance Value, as specified in the applicable Final Terms; or

(d) if the relevant Underlying Reference is an Index, a Share, a Commodity or a Commodity Index, the Settlement Price,

in each case in respect of such day.

"**Underlying Reference Initial**" means the number or amount specified as such in the applicable Final Terms;

"**Underlying Reference Level**" means, in respect of a time and a day (i) "official level", "opening price", "official close", "closing price", "purchase price", "sale price", "last price", "bid price", "asked price", "traded price", "official settlement price", "daily settlement price", "high", "mid", "low", "bid high", "bid low", "ask high", "ask low" of the Underlying Reference as specified in the applicable Final Terms published by the Observation Price Source or (ii) if Standard Underlying Reference Level is specified as applicable in the applicable Final Terms (a) in the case of Share Securities and Futures Securities the price of the relevant Underlying Reference, (b) in the case of Index Securities, the level of the relevant Underlying Reference, (c) in the case of Commodity Securities, the Relevant Price (on the basis that such day is deemed to be a Pricing Date), (d) in the case of Currency Securities, the spot rate of exchange for the exchange of the Alternative Currency into the Base Currency (expressed as the number of units (or part units) of such Alternative Currency for which one unit of the Base Currency can be exchanged) or (e) in the case of Debt Securities, the bid price of the relevant Underlying Reference as determined by the Calculation Agent by reference to the bid price for such Underlying Reference appearing on the Relevant Screen Page, (g) in the case of a Fund NAV per Fund Share, in each case for such time on such day;

"**Underlying Reference Weighting**" means, in respect of an Underlying Reference, the number, amount or percentage specified as such for such Underlying Reference in the applicable Final Terms.

"**Underlying Reference**" means:

(a) for the purposes of the SFP Payouts, each Index, Share, Commodity, Commodity Index, Alternative Currency, Future, Debt Instrument or other basis of reference to which the relevant Securities relate;

(b) for the purposes of the Fixed Income Payouts and Fixed Income Remuneration Rates, each Inflation Index, Alternative Currency, Underlying Interest Rate, Index, Share, Commodity, Commodity Index or other basis of reference to which the relevant Securities relate. If two or more Underlying Interest Rates are specified in the applicable Final Terms as Multiple Underlying Component Rates each Underlying Interest $\text{Rate}_{(i)}$ specified as such (together the "**Multiple Underlying Interest Rate**") will be calculated separately and independently but for the purposes of these Formulas Conditions and the Underlying Interest Rate Security Conditions shall be deemed to together constitute an Underlying Reference;

(c) for the purposes of the MFP Payouts, MFP Remuneration Rates and MFP Entitlement Amounts, each Index, Share, ETI, Debt Instrument, Commodity, Commodity Index, Fund,

Underlying Interest Rate, Inflation Index or Future or other basis of reference to which the relevant Securities relate;

"**Up Cap Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Up Final Settlement Value**" means the value from Formulas Conditions 8.1 (*Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts*), 8.2 (G*reatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts)*, 8.3 (*Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts),* 8.4 (*Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts*) or 8.5 (*Weighted Average Values for MF))P Remuneration Rates, Payouts and Entitlement Amounts*) specified as such in the applicable Final Terms;

"**Up Floor Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Up Strike Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Upper Level**" means the number or amount specified as such in the applicable Final Terms;

"**Upside Participation Factor**" means the percentage specified as such in the applicable Final Terms.

"**Vanilla Call Rate**" means:

Constant $\text{Percentage}_{(i)}$+ $\text{Gearing}_{(i)}$ × Max(Coupon $\text{Value}_{(i)}$ - Strike $\text{Percentage}_{(i)}$+$\text{Spread}_{(i)}$,Floor $\text{Percentage}_{(i)}$); and

"**Vanilla Call Spread Rate**" means:

Constant $\text{Percentage}_{(i)}$+$\text{Gearing}_{(i)}$ × Min(Max(Coupon $\text{Value}_{(i)}$ - Strike $\text{Percentage}_{(i)}$ +$\text{Spread}_{(i)}$,Floor $\text{Percentage}_{(i)}$);Cap $\text{Percentage}_{(i)}$).

"**YoY Inflation Rate**" means Inflation $\text{Index}_{(i)}$/Inflation $\text{Index}_{(i-1)}$ – 1.

8. VALUES AND PERFORMANCE DEFINITIONS

8.1 Simple Value and Performance Definitions for MFP Remuneration Rates, Payouts and Entitlement Amounts

(a) **Basic Value Definitions**

"**FX Value**" means, in respect of an Underlying Reference and a day:

(a) Underlying Reference FX Level for such day divided by Underlying Reference FX Strike Level; or

(b) if Underlying Reference FX Hedged Value is specified in the applicable Final Terms, Underlying Reference FX Hedged Value for such day divided by Underlying Reference FX Strike Level;

"**Underlying Reference Closing Price Value**" means, in respect of a MFP Valuation Date, the product of the Underlying Reference Closing Price Value Percentage and:

(a) if the relevant Underlying Reference is an Index, the Closing Level;

(b) if the relevant Underlying Reference is a Share, the Closing Price or the Italian Securities Reference Price or the Settlement Price, as specified in the applicable Final Terms;

(c) if the relevant Underlying Reference is an ETI, the Closing Price or the Settlement Price, as specified in the applicable Final Terms;

(d) if the relevant Underlying Reference is a Commodity or a Commodity Index, the Relevant Price;

(e) if the relevant Underlying Reference is a Fund, the NAV per Fund Share;

(f) if the relevant Underlying Reference is a Currency or Future, the Settlement Price;

(g) if the relevant Underlying Reference is an Underlying Interest Rate, the Underlying Reference Rate;

(h) if the relevant Underlying Reference is an Inflation Index, the Relevant Level; or

(i) if the relevant Underlying Reference is a Debt Instrument, the Settlement Price,

in each case in respect of such day;

"Underlying Reference Closing Price Value Percentage" means 100% unless othwerwise specified in the applicable Final Terms;

"**Underlying Reference FX Level**" means, in respect of an Underlying Reference and a day, the rate of exchange between the currencies (including any rates of exchange pursuant to which the relevant rate of

exchange is derived) and determined from the source(s) and at the time, in each case specified in the applicable Final Terms for such Underlying Reference on such day;

"**Underlying Reference FX Strike Level**" means in respect of an Underlying Reference:

(a) the rate specified as such in the applicable Final Terms; or

(b) if FX Closing Level is specified as applicable in the applicable Final Terms, the Underlying Reference FX Level for such Underlying Reference on the Strike Date; or

(c) if FX Maximum Level is specified as applicable in the applicable Final Terms, the greatest Underlying Reference FX Level for such Underlying Reference for all the Strike Days in the Strike Period; or

(d) if FX Minimum Level is specified as applicable in the applicable Final Terms, the lowest Underlying Reference FX Level for such Underlying Reference for all the Strike Days in the Strike Period; or

(e) if FX Average Level is specified as applicable in the applicable Final Terms, the arithmetic average of the Underlying Reference FX Levels for such Underlying Reference for all the Strike Days in the Strike Period; and

"**Underlying Reference Strike Price**" means, in respect of an Underlying Reference:

(i) the amount specified as such in the applicable Final Terms; or

(ii) if Strike Price Closing Value is specified as applicable in the applicable Final Terms, the Underlying Reference Closing Price Value for such Underlying Reference on the Strike Date; or

(iii) if the Securities are Share Securities and if "Punctual Underlying Reference Strike Price" is indicated as applicable in the applicable Final Terms, the official closing price of such Share on the Strike Date as determined by the Calculation Agent, subject as provided in Share Security Condition 3 (*Potential Adjustment Events*) and Share Security Condition 5 (*Extraordinary Events*) (as amended where "GDR/ADR" is specified as applicable); or

(iv) if Strike Price Maximum Value is specified as applicable in the applicable Final Terms, the greatest Underlying Reference Closing Price Value for such Underlying Reference for all the Strike Days in the Strike Period; or

(v) if Strike Price Minimum Value is specified as applicable in the applicable Final Terms, the lowest Underlying Reference Closing Price Value for such Underlying Reference for all the Strike Days in the Strike Period; or

(vi) if Strike Price Average Value is specified as applicable in the applicable Final Terms, the arithmetic average of the Underlying Reference Closing Price Values for such Underlying Reference for all the Strike Days in the Strike Period; or

(vii) if Barrier Strike Price Closing Value is specified as applicable in the applicable Final Terms, an amount equal to the product of (x) the Underlying Reference Closing Price Value for such Underlying Reference on the Strike Date and (y) the Barrier Percentage Strike Price; or

(viii) if Barrier Strike Price Maximum Value is specified as applicable in the applicable Final Terms, an amount equal to the product of (x) the greatest Underlying Reference Closing Price Value for such Underlying Reference for all the Strike Days in the Strike Period and (y) the Barrier Percentage Strike Price; or

(ix) if Barrier Strike Price Minimum Value is specified as applicable in the applicable Final Terms, an amount equal to the product of (x) the lowest Underlying Reference Closing Price Value for such Underlying Reference for all the Strike Days in the Strike Period and (y) the Barrier Percentage Strike Price; or

(x) if Barrier Strike Price Average Value is specified as applicable in the applicable Final Terms, an amount equal to the product of (x) the arithmetic average of the Underlying Reference Closing Price Values for such Underlying Reference for all the Strike Days in the Strike Period and (y) the Barrier Percentage Strike Price.

(b) **Mono Underlying Reference Value Definitions**

"**Underlying Reference Performance**" means, in respect of an Underlying Reference and a MFP Valuation Date, (a) the Underlying Reference Value for such Underlying Reference in respect of such day minus (b) Underlying Reference Performance Percentage or (c) Underlying Reference Performance Percentage minus (d) the Underlying Reference Value for such Underlying Reference in respect of such day;

"**Underlying Reference Performance Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Underlying Reference Restrike Performance**" means, in respect of an Underlying Reference and a MFP Valuation Date (a) (i) the Underlying Reference Closing Price Value for such Underlying Reference in respect of such day (ii) divided by the Underlying Reference Closing Price Value for such Underlying Reference in respect of the N-th immediately preceding MFP Valuation Date (b) less Underlying Reference Restrike Performance Percentage or (c) Underlying Reference Restrike Performance Percentage minus (d) (i) the Underlying Reference Closing Price Value for such Underlying Reference in respect of such day (ii) divided by the Underlying Reference Closing Price Value for such Underlying Reference in respect of the N-th immediately preceding MFP Valuation Date. Provided that in each case, the Underlying Reference Restrike Performance will be determined

starting from the N-th MFP Valuation Date immediately following the first occurring MFP Valuation Date.

"**Underlying Reference Restrike Performance Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Underlying Reference EndDay Closing Price Value**" means, in respect of an Underlying Reference and a MFP Valuation Date, the Underlying Reference Closing Price Value for such Underlying Reference on the date (the "**MFP EndDay Valuation Date**") falling nEnd days after such MFP Valuation Date;

"**Underlying Reference Intraday Price Value**" means:

(a) if the relevant Underlying Reference is an Index, the Intraday Level; or

(b) if the relevant Underlying Reference is a Share, an ETI, a Commodity or a Commodity Index, the Intraday Price;

"**Underlying Reference Intraday Value**" means, in respect of an Underlying Reference and a MFP Valuation Date, (a) (i) the Underlying Reference Intraday Price Value for such Underlying Reference in respect of such MFP Valuation Date (ii) divided by the relevant Underlying Reference Strike Price, and (b) if FX Conversion is specified as applicable in the applicable Final Terms, multiplied by FX Value;

"**Underlying Reference Intraday Performance**" means, in respect of an Underlying Reference and a MFP Valuation Date, (a) (i) the Underlying Reference Intraday Price Value for such Underlying Reference in respect of such MFP Valuation Date (ii) divided by the relevant Underlying Reference Strike Price, minus the Underlying Reference Intraday Performance Percentage and (b) if FX Conversion is specified as applicable in the applicable Final Terms, multiplied by FX Value; or (a) the Underlying Reference Intraday Performance Percentage minus (i) the Underlying Reference Intraday Price Value for such Underlying Reference in respect of such MFP Valuation Date (ii) divided by the relevant Underlying Reference Strike Price and (b) if FX Conversion is specified as applicable in the applicable Final Terms, multiplied by FX Value;

"**Underlying Reference Intraday Performance Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Underlying Reference Restrike Value**" means, in respect of an Underlying Reference and a MFP Valuation Date (a) the Underlying Reference Closing Price Value for such Underlying Reference in respect of such day divided by (b) the Underlying Reference Closing Price Value for such Underlying Reference in respect of the N-th immediately preceding MFP Valuation Date. Provided that the Underlying Reference Restrike Value will be determined starting from the N-th MFP Valuation Date immediately following the first occurring MFP Valuation Date.

"**Underlying Reference Extended Restrike Value**" means, in respect of an Underlying Reference and MFP Valuation Period (a) the Underlying Reference Closing Price Value for such Underlying

Reference in respect of a MFP Valuation Date within such MFP Valuation Period divided by (b) the Underlying Reference Closing Price Value for such Underlying Reference in respect of the N-th immediately preceding MFP Valuation Date within such MFP Valuation Period. Provided that the Underlying Reference Extended Restrike Value will be determined starting from the N-th MFP Valuation Date within such MFP Valuation Period immediately following the first occurring MFP Valuation Date within such MFP Valuation Period.

"**Underlying Reference Intraday Restrike Value**" means, in respect of an Underlying Reference and a MFP Valuation Date, (a) (i) the Underlying Reference Intraday Price Value for such Underlying Reference in respect of such MFP Valuation Date (ii) divided by the Underlying Reference Intraday Price Value for such Underlying Reference in respect of the N-th immediately preceeding MFP Valuation Date, and (b) if FX Conversion is specified as applicable in the applicable Final Terms, multiplied by FX Value. Provided that the Underlying Reference Intraday Restrike Value will be determined starting from the N-th MFP Valuation Date immediately following the first occurring MFP Valuation Date.

"**Underlying Reference Extended Intraday Restrike Value**" means, in respect of an Underlying Reference and MFP Valuation Period (a) the Underlying Reference Intraday Price Value for such Underlying Reference in respect of a MFP Valuation Date within such MFP Valuation Period divided by (b) the Underlying Reference Intraday Price Value for such Underlying Reference in respect of the N-th immediately preceding MFP Valuation Date within such MFP Valuation Period. Provided that the Underlying Reference Extended Intraday Restrike Value will be determined starting from the N-th MFP Valuation Date within such MFP Valuation Period immediately following the first occurring MFP Valuation Date within such MFP Valuation Period.

"**N-th**" means the ordinal number specified as such in the applicable Final Terms

"Lowest Underlying Reference Restrike Value" means, in respect of an Underlying Reference and a MFP Valuation Period, the lowest (a) Underlying Reference Restrike Value or (b) Underlying Reference Extended Restrike Value for such Underlying Reference for all the MFP Valuation Dates in such MFP Valuation Period.

"Lowest Underlying Reference Restrike Intraday Value" means, in respect of an Underlying Reference and a MFP Valuation Period, the lowest (a) Underlying Reference Restrike Intraday Value or (b) Underlying Reference Extended Restrike Intraday Value for such Underlying Reference for all the MFP Valuation Dates in such MFP Valuation Period;

"Greatest Underlying Reference Restrike Value" means, in respect of an Underlying Reference and a MFP Valuation Period, the highest (a) Underlying Reference Restrike Value or (b) Underlying Reference Extended Restrike Value for such Underlying Reference for all the MFP Valuation Dates in such MFP Valuation Period.

"**Greatest Underlying Reference Restrike Intraday Value"** means, in respect of an Underlying Reference and a MFP Valuation Period, the highest (a) Underlying Reference Restrike Intraday Value or (b) Underlying Reference Extended Restrike Intraday Value for such Underlying Reference for all the MFP Valuation Dates in such MFP Valuation Period;

"**Underlying Reference StartDay Closing Price Value**" means, in respect of an Underlying Reference and a MFP Valuation Date, the Underlying Reference Closing Price Value for such Underlying Reference on the date (the "**MFP StartDay Valuation Date**") falling nStart days prior to such MFP Valuation Date;

"**Underlying Reference TOM Restrike Value**" means, in respect of an Underlying Reference and a MFP Valuation Date (a) the Underlying Reference EndDay Closing Price Value for such Underlying Reference in respect of such day divided by (b) Underlying Reference StartDay Closing Price Value for such Underlying Reference in respect of such day;

"**Underlying Reference TOM Value**" means, in respect of an Underlying Reference and a MFP Valuation Date, the product of all Underlying Reference TOM Restrike Values for all MFP Valuation Dates prior to and including such MFP Valuation Date in respect of an Underlying Reference; and

"**Underlying Reference Value**" means, in respect of an Underlying Reference and a MFP Valuation Date, (a) (i) the Underlying Reference Closing Price Value for such Underlying Reference in respect of such MFP Valuation Date (ii) divided by the relevant Underlying Reference Strike Price (expressed as a percentage) and (b) if FX Conversion is specified as applicable in the applicable Final Terms, multiplied by FX Value (expressed as a percentage) and (c) if Fund Securities is specified as applicable in the applicable Final Terms, less, if Fund Securities Fees Provisions are specified as applicable in the relevant Final Terms, the Aggregate Fund Securities Fees Percentage multiplied by the Fund Securities Fees Factor.

If Underlying Reference Inverse Value is specified as applicable in the applicable Final Terms, Underlying Reference Value shall mean, in respect of an Underlying Reference and a MFP Valuation Date, (a) (i) the relevant Underlying Reference Strike Price (ii) divided by the Underlying Reference Closing Price Value for such Underlying Reference in respect of such MFP Valuation Date (expressed as a percentage) and (b) if FX Conversion is specified as applicable in the applicable Final Terms, multiplied by FX Value (expressed as a percentage) and (c) if Fund Securities is specified as applicable in the applicable Final Terms, less, if Fund Securities Fees Provisions are specified as applicable in the relevant Final Terms, the Aggregate Fund Securities Fees Percentage multiplied by the Fund Securities Fees Factor.

If Generic Underlying Reference Value is specified as applicable in the applicable Final Terms, Underlying Reference Value shall mean, in respect of an Underlying Reference and a MFP Valuation Date, Underlying Reference Value Percentage minus or plus (a) (i) the Underlying Reference Closing Price Value for such Underlying Reference in respect of such MFP Valuation Date (ii) divided by the relevant Underlying Reference Strike Price (expressed as a percentage) and (b) if FX Conversion is

specified as applicable in the applicable Final Terms, multiplied by FX Value (expressed as a percentage) and (c) if Fund Securities is specified as applicable in the applicable Final Terms, less, if Fund Securities Fees Provisions are specified as applicable in the relevant Final Terms, the Aggregate Fund Securities Fees Percentage multiplied by the Fund Securities Fees Factor. If Generic Inverse Underlying Reference Value is specified as applicable in the applicable Final Terms, Underlying Reference Value shall mean, in respect of an Underlying Reference and a MFP Valuation Date, Underlying Reference Value Percentage minus or plus (a) (i) the relevant Underlying Reference Strike Price (ii) divided by the Underlying Reference Closing Price Value for such Underlying Reference in respect of such MFP Valuation Date (expressed as a percentage) and (b) if FX Conversion is specified as applicable in the applicable Final Terms, multiplied by FX Value (expressed as a percentage) and (c) if Fund Securities is specified as applicable in the applicable Final Terms, less, if Fund Securities Fees Provisions are specified as applicable in the relevant Final Terms, the Aggregate Fund Securities Fees Percentage multiplied by the Fund Securities Fees Factor.

"**Aggregate Fund Securities Fees Percentage**" means the sum of the Fund Securities Fees Percentages calculated in respect of all Calculation Periods;

"**Fund Securities Fees Percentage**" means the rate (expressed as a percentage) calculated by the Calculation Agent in accordance with the following formula and being equal to the rate of interest that would accrue during each Calculation Period falling during the period specified in the applicable Final Terms calculated on the basis that such rate would apply to and be 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.:

Fund Fees Securities Percentage = [Floating Rate + Spread] x Day Count Fraction

For these purposes:

A) the "Effective Date" is as specified in the applicable Final Terms;

B) the "Termination Date" is as specified in the applicable Final Terms;

C) the "Floating Rate Payer Payment Date" is as specified in the applicable Final Terms;

D) the "Floating Rate Option" is as specified in the applicable Final Terms;

E) the "Spread" is as specified in the applicable Final Terms, or if not so specified minus 0.125 per cent.;

F) the "Floating Rate Day Count Fraction" is as specified in the applicable Final Terms, or if not so specified Actual/360;

G) the "Business Day Convention" is as specified in the applicable Final Terms, of if not so specified Modified Following;

H) the "Reset Date" means each Floating Rate Payer Payment Date or as specified in the applicable Final Terms;

I) "Calculation Period" means each consecutive period each commencing on and including a Floating Rate Payer Payment Date to but excluding the following Floating Rate Payer Payment Date except that the first Calculation Period shall start on the Effective Date and the last Calculation Period shall end on the Termination Date or as otherwise specified in the Final Terms.

"**Underlying Reference Value Percentage**" means the percentage specified as such in the applicable Final Terms.

"**Fund Securities Fees Factor**" is as defined in the relevant Final Terms.

(c) **Multi Underlying Reference Value Definitions**

"**Basket Value**" means, in respect of a MFP Valuation Date or a Fixing Date, the sum of the values calculated for each Underlying Reference in the Basket as (a) the Underlying Reference Value for such Underlying Reference in respect of such MFP Valuation Date or Fixing Date multiplied by (b) the relevant Underlying Reference Weighting;

"**Basket Performance**" means, in respect of a MFP Valuation Date or a Fixing Date, the sum of the values calculated for each Underlying Reference in the Basket as (i) (a) the Underlying Reference Value for such Underlying Reference in respect of such MFP Valuation Date or Fixing Date multiplied by (b) the relevant Underlying Reference Weighting minus the Basket Performance Percentage or (ii) the Basket Performance Percentage minus (a) the Underlying Reference Value for such Underlying Reference in respect of such MFP Valuation Date or Fixing Date multiplied by (b) the relevant Underlying Reference Weighting;

"**Basket Performance Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Best Intraday Value**" means, in respect of a MFP Valuation Date, the highest Underlying Reference Intraday Value for any Underlying Reference in the Basket in respect of such MFP Valuation Date;

"**Best Value**" means, in respect of a MFP Valuation Date, the highest Underlying Reference Value for any Underlying Reference in the Basket in respect of such MFP Valuation Date;

"**Rainbow Value**" means, in respect of a MFP Valuation Date, the sum of the values calculated for each Underlying Reference in the Basket as (a) the Ranked Value for such Underlying Reference in respect of such MFP Valuation Date multiplied by (b) the relevant Underlying Reference Weighting;

"**Ranked Value**" means, in respect of a MFP Valuation Date, the Underlying Reference Value in respect of the Underlying Reference with the Ranking in respect of such MFP Valuation Date set out in the applicable Final Terms;

"**Ranking**" means, in respect of a MFP Valuation Date, the ordinal positioning of each Underlying Reference by Underlying Reference Value from lowest Underlying Reference Value to greatest Underlying Reference Value in respect of such MFP Valuation Date;

"**Worst Intraday Value**" means, in respect of a MFP Valuation Date, the lowest Underlying Reference Intraday Value for any Underlying Reference in respect of such MFP Valuation Date; and

"**Worst Value**" means, in respect of a MFP Valuation Date, the lowest Underlying Reference Value for any Underlying Reference in the Basket in respect of such MFP Valuation Date.

(d) **Underlying Reference Volatility Hedged Value**

"**Underlying Reference Volatility Hedged Value**" means, in respect of an ACT Day, the rate determined by the Calculation Agent in accordance with the following formula:

$$Underlying\ Reference\ Volatility\ Hedged\ Value_t = Underlying\ Reference\ Volatility\ Hedged\ Value_{t-1}\ x\ \left[1 + W_{t-1}\left(\frac{BasketER_t}{BasketER_{t-1}} - 1\right) + (1 - W_{t-1})\ x\ \left(Leverage\ Rate_{t-1}\ x\ \frac{Act_{(t-1,t)}}{360}\right)\right]\ x\ \left[1 - AF\ x\ \frac{Act_{(t-1,t)}}{360}\right]$$

provided that the Underlying Reference Volatility Hedged Value on the Strike Date is Underlying Reference Volatility Hedged Value$_0$.

(e) **Underlying Reference Volatility Hedged Value Definitions**

"**ACT Day**" or "**t**" means each day that is an Underlying Reference Valuation Day and a Strategy Business Day.

"**Act$_{(t-1,t)}$**" means, in respect of an ACT Day, the number of calendar days from (but excluding) the ACT Day immediately preceding such ACT Day to (and including) such ACT Day.

"**AF**" means the percentage specified as such in the applicable Final Terms.

"**Basket$_{t-s}^{t*}$**" means a hypothetical basket of Underlying References, which the Calculation Agent will use to determine the volatility of the Basket over the preceding twenty ACT Days where Vol20$_t$ applies or the preceding sixty ACT Days where Vol60$_t$ applies and is calculated in accordance with the following formula:

$$Basket_{t-s}^{t*} = \sum_{k=1}^{n} NS_k^t \times Level_{k,t-s}$$

"**BasketES$_0$**" means 1.

"**BasketES$_t$**" means, in respect of an ACT Day, the level determined by the Calculation Agent in accordance with the following formula:

$$BasketER_t = BasketER_{t-1} \times \left[\frac{Basket_t}{Basket_{t-1}} - Reference\ Rate_{t-1} \times \frac{Act_{(t-1,t)}}{360}\right]$$

provided that BasketES$_t$ for the Initial ACT Day will be BasketES$_0$.

"**$BasketES_{t-1}$**" means, in respect of an ACT Day, the $BasketES_t$ for the ACT Day immediately preceding such day.

"**$Basket_t$**" means, in respect of an ACT Day, the level determined by the Calculation Agent in accordance with the following formula:

$$Basket_t = Basket_{t-1}\ x \left[1 + \sum_{k=1}^{n} P_k \left(\frac{Level_{k,t}}{Level_{k,t-1}} - 1\right)\right]$$

provided that $Basket_t$ for the Initial ACT Day will be Basket $Level_0$.

"**$Basket_{t-1}$**" means, in respect of an ACT Day, $Basket_t$ for the ACT Day immediately preceding such day.

"**Basket $Level_0$**" means 1.

"**Initial ACT Day**" means the day falling 60 ACT Days immediately preceding the Strike Date or if that is not an ACT Day and (i) if Preceding ACT Day is specified in the applicable Final Terms, the immediately preceding ACT Day or (ii) if Succeeding ACT Day is specified in the applicable Final Terms, the immediately succeeding ACT Day.

"**$Level_{k,t}$**" means, in respect of an Underlying Reference and an ACT Day, the Underlying Reference Closing Price Value in respect of such day, provided that, if there is no Underlying Reference Closing Price Value in respect of such day or such day is a Disrupted Day (in the case of Index Securities, Share Securities, ETI Securities, Debt Securities, Currency Securities or Futures Securities) or a Commodity Disrupted Day (in the case of Commodity Securities) (such day a "**Disrupted Level Day**"); and:

(i) if "Following ACT Day" is specified in the applicable Final Terms, $Level_{k,t}$ will be the Underlying Reference Closing Price Value for the next succeeding ACT Day which is not a Disrupted Level Day; or

(ii) if "Preceding ACT Day" is specified in the applicable Final Terms, $Level_{k,t}$ will be the Underlying Reference Closing Price Value for the immediately preceding ACT Day which is not a Disrupted Level Day.

"**$Level_{k,t-1}$**" means, in respect of an Underlying Reference and an ACT Day, the Underlying Reference Closing Price Value on the immediately preceding ACT Day.

"**Leverage Floating Rate**" means, in respect of an ACT Day, the Leverage Floating Rate Option in respect of the Rate Calculation Date for such day appearing on the Leverage Floating Rate Option Page at the Leverage Floating Rate Option Calculation Time or if the relevant rate does not appear on such page at such time, the Leverage Floating Rate Option for such ACT Day shall be determined by the Calculation Agent at such time and from such source(s) as it may select acting in good faith and in a commercially reasonable manner.

"**Leverage Floating Rate Option**" means the relevant rate and designated maturity specified as such in the applicable Final Terms.

"**Leverage Floating Rate Option Page**" means the page or price source specified as such in the applicable Final Terms.

"**Leverage Floating Rate Option Time**" means the time specified as such in the applicable Final Terms.

"**Leverage Rate$_{t-1}$**" means, in respect of an ACT Day, the fixed rate specified in the applicable Final Terms or the Leverage Floating Rate for such day as specified in the applicable Final Terms.

"**ln**" means natural logarithm.

"**Max Exposure**" means the percentage specified as such in the applicable Final Terms.

"**Min Exposure**" means the percentage specified as such in the applicable Final Terms.

"**n**" means the number of Underlying References in the Basket.

"**NSk$_t$**" means, in respect of an Underlying Reference and an ACT Day, the amount determined by the Calculation Agent in accordance with the following formula:

$$NS_k^t = P_k x \frac{Basket_t}{Level_{k,t}}$$

"**P$_k$**" means the relevant Underlying Reference Weighting.

"**Rate Calculation Date**" means, in respect of an ACT Day, the first, second or third ACT Day preceding such day, as specified in the applicable Final Terms.

"**Reference Floating Rate**" means, in respect of an ACT Day, the Reference Floating Rate Option in respect of the Rate Calculation Date for such day appearing on the Reference Floating Rate Option Page at the Reference Floating Rate Option Calculation Time or if the relevant rate does not appear on such page at such time, the Reference Floating Rate Option for such ACT Day shall be determined by the Calculation Agent at such time and from such source(s) as it may select acting in good faith and in a commercially reasonable manner.

"**Reference Floating Rate Option**" means the relevant rate and designated maturity specified as such in the applicable Final Terms.

"**Reference Floating Rate Option Page**" means the page or price source specified as such in the applicable Final Terms.

"**Reference Floating Rate Option Time**" means the time specified as such in the applicable Final Terms.

"**Reference Rate$_{t-1}$**" means, in respect of an ACT Day, the fixed rate specified in the applicable Final Terms or the Reference Floating Rate for such day as specified in the applicable Final Terms.

"**Strategy Business Day**" means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the Strategy Business Day Centre(s).

"**Strategy Business Day Centre(s)**" means the place(s) specified as such in the applicable Final Terms.

"**Target Volatility**" means the percentage specified as such in the applicable Final Terms.

"**Tolerance**" means the percentage specified as such in the applicable Final Terms.

"**Underlying Reference Valuation Date**" means a calendar day, Business Day, Exchange Business Day, Hybrid Business Day, Scheduled Trading Day, Fund Business Day, Settlement Price Date, MFP Valuation Date or other day specified as such in the applicable Final Terms.

"**Underlying Reference Volatility Hedged Value$_0$**" means 1.

"**Underlying Reference Volatility Hedged Value$_{t-1}$**" means, in respect of an ACT Day, the Underlying Reference Volatility Hedged Value on the ACT Day immediately preceding such day.

"**W_0**" means the percentage specified as such in the applicable Final Terms.

"**W_t**" means, in respect of an ACT Day, the percentage determined by the Calculation Agent in accordance with the following formula:

$$W_t = Min(Max\ Exposure; W_t^*)$$

provided that W_t on the Strike Date is W_0.

"**W_t^{Target}**" means, in respect of an ACT Day, the percentage determined by the Calculation Agent in accordance with the following formula:

$$W_t^{Target} = Max\left[\frac{Target\ Volatility}{Max(Vol20_t;\ Vol60_t)}; Min\ Exposure\right]$$

provided that W_t^{Target} on the Strike Date is W $Target_0$.

"**W_{t-1}^{Target}**" means, in respect of an ACT Day, W_t^{Target} on the ACT Day immediately preceding such day.

"**W_{t-1}**" means, in respect of an ACT Day, W_t on the ACT Day immediately preceding such day.

If Lag 1 is specified in the applicable Final Terms and:

(i) $W_t > (1 + Tolerance)x\ W_t^{Target}$ then "**W^*_{t+1}**" means W_t^{Target};

(ii) $W_t < (1 - Tolerance)x\ W_t^{Target}$ then "**W^*_{t+1}**" means W_t^{Target}; or

(iii) Otherwise, "$\mathbf{W^*_{t+1}}$" means W_t.

If Lag 2 is specified in the applicable Final Terms then "$\mathbf{W^*_1} = \mathbf{W_1} = \mathbf{W_0}$" means the percentage specified as such in the applicable Final Terms.

If the weighting on the immediately following day ("$\mathbf{W_{t+1}}$") is equal to W_t and:

$W_t > (1 + Tolerance) x\ W_t^{Target}$ then "$\mathbf{W^*_{t+2}}$" means W_t^{Target};

$W_t < (1 - Tolerance) x\ W_t^{Target}$ then "$\mathbf{W^*_{t+2}}$" means W_t^{Target}; or

Otherwise, "$\mathbf{W^*_{t+2}}$" means W_{t+1}.

If $W_{t+1} \neq W_t$ and:

(i) $W_t > (1 + Tolerance) x\ W_{t-1}^{Target}$ then "$\mathbf{W^*_{t+2}}$" means W_t^{Target};

(ii) $W_t < (1 - Tolerance) x\ W_{t-1}^{Target}$ then "$\mathbf{W^*_{t+2}}$" means W_t^{Target}; or

(iii) Otherwise, "$\mathbf{W^*_{t+2}}$" means $\mathbf{W_{t+1}}$.

"**W Target$_0$**" means the percentage specified as such in the applicable Final Terms.

8.2 **Greatest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts**

(a) **Mono Underlying Reference Value Definitions**

"**Greatest Underlying Reference Intraday Value**" means, in respect of an Underlying Reference and a MFP Valuation Period, the highest Underlying Reference Intraday Value for such Underlying Reference for all the MFP Valuation Dates in such MFP Valuation Period; and

"**Greatest Underlying Reference Value**" means, in respect of an Underlying Reference and a MFP Valuation Period, the highest Underlying Reference Value for such Underlying Reference for all the MFP Valuation Dates in such MFP Valuation Period.

(b) **Multi Underlying Reference Value Definitions**

"**Greatest Basket Value**" means, in respect of a MFP Valuation Period, the highest Basket Value for all the MFP Valuation Dates in such MFP Valuation Period;

"**Greatest Best Intraday Value**" means, in respect of a MFP Valuation Period, the highest Best Intraday Value for all the MFP Valuation Dates in such MFP Valuation Period;

"**Greatest Best Value**" means, in respect of a MFP Valuation Period, the highest Best Value for all the MFP Valuation Dates in such MFP Valuation Period;

"**Greatest Rainbow Value**" means, in respect of a MFP Valuation Period, the highest for all MFP Valuation Dates in such MFP Valuation Period of the relevant Rainbow Values;

"**Greatest Underlying Reference Value (Basket)**" means, in respect of an Underlying Reference in the Basket and a MFP Valuation Period, the highest Underlying Reference Value for such Underlying Reference for all the MFP Valuation Dates in such MFP Valuation Period;

"**Greatest Worst Value**" means, in respect of a MFP Valuation Period, the highest Worst Value for all the MFP Valuation Dates in such MFP Valuation Period; and

"**Worst Greatest Value**" means, in respect of a MFP Valuation Period, the lowest Greatest Underlying Reference Value (Basket) for any Underlying Reference in the Basket in respect of such MFP Valuation Period.

8.3 **Lowest Period Values for MFP Remuneration Rates, Payouts and Entitlement Amounts**

(a) **Mono Underlying Reference Value Definitions**

"**Lowest Underlying Reference Intraday Value**" means, in respect of an Underlying Reference and a MFP Valuation Period, the lowest Underlying Reference Intraday Value for such Underlying Reference for all the MFP Valuation Dates in such MFP Valuation Period; and

"**Lowest Underlying Reference Value**" means, in respect of an Underlying Reference and a MFP Valuation Period, the lowest Underlying Reference Value for such Underlying Reference for all the MFP Valuation Dates in such MFP Valuation Period.

(b) **Multi Underlying Reference Value Definitions**

"**Lowest Basket Value**" means, in respect of a MFP Valuation Period, the lowest Basket Value for all the MFP Valuation Dates in such MFP Valuation Period;

"**Lowest Best Value**" means, in respect of a MFP Valuation Period, the lowest Best Value for all the MFP Valuation Dates in such MFP Valuation Period;

"**Lowest Rainbow Value**" means, in respect of a MFP Valuation Period, the lowest for all MFP Valuation Dates in such MFP Valuation Period of the relevant Rainbow Values;

"**Lowest Worst Intraday Value**" means, in respect of a MFP Valuation Period, the lowest Worst Intraday Value for all the MFP Valuation Dates in such MFP Valuation Period; and

"**Lowest Worst Value**" means, in respect of a MFP Valuation Period, the lowest Worst Value for all the MFP Valuation Dates in such MFP Valuation Period.

8.4 **Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts**

(a) **Mono Underlying Reference Value Definitions**

"**Average Underlying Reference TOM Value**" means, in respect of an Underlying Reference and a MFP Valuation Period, the arithmetic average of the Underlying Reference TOM Values for such Underlying Reference for all the MFP Valuation Dates in such MFP Valuation Period; and

"**Average Underlying Reference Value**" means, in respect of an Underlying Reference and a MFP Valuation Period, the arithmetic average of the Underlying Reference Value for such Underlying Reference for all the MFP Valuation Dates in such MFP Valuation Period;

(b) **Multi Underlying Reference Value Definitions**

"**Average Basket Value**" means, in respect of a MFP Valuation Period, the arithmetic average of the Basket Values for all the MFP Valuation Dates in such MFP Valuation Period;

"**Average Best Value**" means, in respect of a MFP Valuation Period, the arithmetic average of the Best Values for all the MFP Valuation Dates in such MFP Valuation Period;

"**Average Rainbow Value**" means, in respect of a MFP Valuation Period, the arithmetic average for all MFP Valuation Dates in such MFP Valuation Period of the relevant Rainbow Values; and

"**Average Worst Value**" means, in respect of a MFP Valuation Period, the arithmetic average of the Worst Values for all the MFP Valuation Dates in such MFP Valuation Period.

8.5 **Weighted Average Values for MFP Remuneration Rates, Payouts and Entitlement Amounts**

(a) **Mono Underlying Reference Value Definitions**

"**Weighted Average Underlying Reference Value**" means, in respect of an Underlying Reference and a MFP Valuation Period, the sum of the values calculated for all the MFP Valuation Dates in such MFP Valuation Period as (a) the Underlying Reference Value for such Underlying Reference for such MFP Valuation Date (b) multiplied by the relevant MFP Date Weighting.

(b) **Multi Underlying Reference Value Definitions**

"**Weighted Average Basket Value**" means, in respect of a MFP Valuation Period, the sum of the values calculated for all the MFP Valuation Dates in such MFP Valuation Period as (a) the Basket Value for such MFP Valuation Date (b) multiplied by the relevant MFP Date Weighting;

"**Weighted Average Best Value**" means, in respect of a MFP Valuation Period, the sum of the values calculated for all the MFP Valuation Dates in such MFP Valuation Period as (a) the Best Value for such MFP Valuation Date (b) multiplied by the relevant MFP Date Weighting;

"**Weighted Average Rainbow Value**" means, in respect of a MFP Valuation Period, the sum of the values calculated for all MFP Valuation Dates in such MFP Valuation Period as (a) the relevant Rainbow Values (b) multiplied by the relevant MFP Date Weighting; and

"**Weighted Average Worst Value**" means, in respect of a MFP Valuation Period, the sum of the values calculated for all the MFP Valuation Dates in such MFP Valuation Period as (a) the Worst Value for such MFP Valuation Date (b) multiplied by the relevant MFP Date Weighting.

9. VALUES

Any value specified in the applicable Final Terms and used in the calculation of Remuneration Rate, Payout and/or Entitlement Amount or related provision may be subject to a cap of the Maximum Value and/or a floor of the Minimum Value, in each case specified in the applicable Final Terms.

10. FORMULAS CONSTITUENTS AND COMPLETION

The constituent parts (each a "**Formula Constituent**") of any formula (each a "**Formula**") used in the Formulas Conditions and which are to be specified in the applicable Final Terms may be replaced in the applicable Final Terms by the prescribed amount, level, percentage or other value, as applicable for such Formula Constituent.

If a Formula Constituent has a value of either 0 (zero) or 1 (one), or is not applicable in respect of the relevant Securities, then the related Formula may be simplified in the applicable Final Terms by deleting such Formula Constituent.

Any number or percentage to be specified in the applicable Final Terms for the purposes of these Formulas Conditions may be a positive or negative, as specified in the applicable Final Terms.

11. CALCULATION AGENT

Unless otherwise specified, the calculation or determination of any amount or of any state of affairs, circumstance, event or other matter, or the formation of any opinion required or permitted to be determined, formed or exercised pursuant to these Formulas Conditions will be calculated, determined, formed or exercised by the Calculation Agent.

Any calculation, determination, formation of any opinion or exercise of any discretion by the Calculation Agent pursuant to the Securities shall (in the absence of manifest error) be final and binding on the Issuer, the Guarantor and the Securityholders. Whenever the Calculation Agent is required to make any determination it may, to the extent permitted by any applicable law, *inter alia*, decide issues of construction and legal interpretation. In performing its duties pursuant to the Securities, the Calculation Agent shall, unless otherwise specified, act in good faith and in a commercially reasonable manner. Any delay, deferral or forbearance by the Calculation Agent in the performance or exercise of any of its obligations or making any determination under the Securities shall not affect the validity or binding nature of any later performance or exercise of such obligation or determination, and none of the Calculation Agent, the Issuer or the Guarantor shall, in the absence of wilful misconduct and gross negligence, bear any liability (to the extent permitted by any applicable law) in respect of, or consequent upon, any such delay, deferral or forbearance.

ANNEX 2

ADDITIONAL TERMS AND CONDITIONS FOR INDEX SECURITIES

If specified as applicable in the applicable Final Terms the terms and conditions applicable to Securities specified in the applicable Final Terms as Index Securities shall comprise terms and conditions of Securities (the "**Security Conditions**") and the additional Terms and Conditions for Index Securities set out below (the "**Index Security Conditions**"), in each case together with any other additional terms and conditions specified in the applicable Final Terms and subject to completion in the applicable Final Terms. In the event of any inconsistency between (i) the Security Conditions and (ii) the Index Security Conditions, the Index Security provisions shall prevail.

1. Definitions

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

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

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

"**Closing Level**" means, in respect of an Index and a Scheduled Trading Day, either (i) the official closing level of such Index or (ii) the exchange delivery settlement price or its equivalent from exchange to exchange, on such day, as indicated in the Final Terms and as determined by the Calculation Agent, subject as provided in Index Security Condition 3 (*Adjustments to an Index)*;

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

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

"**Composite Index**" means any Index which is either a Component Security Index or a Multi-Exchange Index;

"**Disrupted Day**" means:

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

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

"**Early Closure**" means:

(a) in respect of a Composite Index, the closure on any Exchange Business Day of the Exchange in respect of any Component Security or the Related Exchange prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or Related Exchange (as the case may be) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or Related Exchange (as the case may be) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the relevant Valuation Time on such Exchange Business Day; and

(b) in the case of an Index which is not a Composite Index, the closure on any Exchange Business Day of any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Index or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or such Related Exchange(s), as the case may be, at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or such Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day;

"**Exchange**" means:

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

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

"**Exchange Business Day**" means either (a) in the case of a single Index, Exchange Business Day (Single Index Basis) or (b) in the case of a Basket of Indices, (i) Exchange Business Day (All Indices Basis) or (ii) Exchange Business Day (Per Index Basis), in each case as specified in the applicable Final

Terms, provided that if no such specification is made in the applicable Final Terms, Exchange Business Day (All Indices Basis) shall apply;

"**Exchange Business Day (All Indices Basis)**" means any Scheduled Trading Day on which

(a) in respect of any Indices other than Composite Indices, each Exchange and each Related Exchange, if any, in respect of such Indices are open for trading during their respective regular trading session(s), notwithstanding any such Exchange or Related Exchange closing prior to their Scheduled Closing Time; or

(b) in respect of any Composite Indices:

(i) the Index Sponsor publishes the level of such Composite Indices and

(ii) either:

(A) unless Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Related Exchange in respect of such Composite Indices is open for trading during its regular trading session; or

(B) if Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Exchange and each Related Exchange, if any, in respect of such Composite Indices is open for trading during its regular trading session

in each case, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time;

"**Exchange Business Day (Per Index Basis)**" means, in respect of an Index, any Scheduled Trading Day on which:

(a) in respect of an Index other than a Composite Index, the relevant Exchange and the relevant Related Exchange, if any, in respect of such Index are open for trading during their regular trading session(s), notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time; or

(b) in respect of a Composite Index:

(i) the relevant Index Sponsor publishes the level of such Composite Index; and

(ii) either:

(A) unless Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Related Exchange in respect of such Composite Index is open for trading during its regular trading session; or

(B) if Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Exchange and each Related Exchange, if any, in respect of such Composite Index is open for trading during its regular trading session.

in each case, notwithstanding such Exchange(s) or Related Exchange(s) closing prior to its Scheduled Closing Time;

"**Exchange Business Day (Single Index Basis)**" means any Scheduled Trading Day on which:

(a) in respect of an Index other than a Composite Index, the relevant Exchange and the relevant Related Exchange, if any, in respect of such Index 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; or

(b) in respect of a Composite Index:

(i) the relevant Index Sponsor publishes the level of such Composite Index; and

(ii) either:

(A) unless Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Related Exchange in respect of such Composite Index is open for trading during its regular trading session; or

(B) if Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Exchange and each Related Exchange, if any, in respect of such Composite Index is open for trading during its regular trading session.

in each case, notwithstanding such Exchange(s) or Related Exchange(s) closing prior to its Scheduled Closing Time;

"**Exchange Disruption**" means:

(a) in respect of a Composite Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for (i) any Component Security on the Exchange in respect of such Component Security or (ii) in futures or options contracts relating to such Index on the Related Exchange; and

(b) in the case of an Index which is not a Composite Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, on any relevant Exchange(s) in securities that comprise 20 per cent. or more of the level of the relevant Index, or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the relevant Index on any relevant Related Exchange;

"**Index**" and "**Indices**" mean, subject to adjustment in accordance with this Annex 2, the index or indices specified in the applicable Final Terms and related expressions shall be construed accordingly;

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

"**Index Sponsor**" means, in relation to an Index, the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if

any, related to such Index and (b) announces (directly or through an agent) the level of such Index on a regular basis during each Scheduled Trading Day, which as of the Issue Date is the index sponsor specified for such Index in the applicable Final Terms;

"**Intraday Level**" means, in respect of an Index and any time on a Scheduled Trading Day, the level of such Index at such time on such day as determined by the Calculation Agent, subject as provided in Index Security Condition 3 (*Adjustments to an Index)*;

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

"**Protected Amount**" means the amount specified as such in the applicable Final Terms;

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

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

"**Scheduled Trading Day (All Indices Basis)**" means any day on which:

(a) in respect of any Indices other than Composite Indices, each Exchange and each Related Exchange, if any, in respect of such Indices are scheduled to be open for trading during their respective regular trading session(s); or

(b) in respect of any Composite Indices:

(i) the Index Sponsor is scheduled to publish the level of such Composite Indices; and

(ii) either:

(A) unless Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Related Exchange in respect of such Composite Indices is open for trading during its regular trading session; or

(B) if Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Exchange and each Related Exchange, if any, in respect of such Composite Indices is scheduled to be open for trading during its regular trading session;

"**Scheduled Trading Day (Per Index Basis)**" means, in respect of an Index, any day on which:

(a) in respect of an Index other than a Composite Index, the relevant Exchange and the relevant Related Exchange, if any, in respect of such Index are scheduled to be open for trading during their respective regular trading session(s); or

(b) in respect of a Composite Index:

(i) the relevant Index Sponsor is scheduled to publish the level of such Composite Index; and

(ii) either:

(A) unless Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Related Exchange in respect of such Composite Index is open for trading during its regular trading session; or

(B) if Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Exchange and each Related Exchange, if any, in respect of such Composite Index is scheduled to be open for trading during its regular trading session;

"**Scheduled Trading Day (Single Index Basis)**" means any day on which:

(a) in respect of an Index other than a Composite Index, the relevant Exchange and the relevant Related Exchange, if any, in respect of such Index are scheduled to be open for trading during their respective regular trading session(s); or

(b) in respect of a Composite Index:

(i) the relevant Index Sponsor is scheduled to publish the level of such Composite Index; and

(ii) either:

(A) unless Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Related Exchange in respect of such Composite Index is open for trading during its regular trading session; or

(B) if Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Exchange and each Related Exchange, if any, in respect of such Composite Index is scheduled to be open for trading during its regular trading session;

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

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

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

(b) in the case of Index Securities relating to a single Index, an amount (which shall be deemed to be a monetary value in the Index Currency) equal to the official closing level or official opening level, as specified in the applicable Final Terms, of the Index as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of the Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date;

"**Settlement Price Date**" means the Strike Date, an Observation Date or the Valuation Date, as the case may be, or if the Securities are Single Final Payout - Leverage Factor Securities, an Exchange Business Day and the Valuation Date; and

"**Trading Disruption**" means:

(a) in respect of a Composite Index, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise: (i) relating to any Component Security on the Exchange in respect of such Component Security; or (ii) in futures or options contracts relating to such Index on the Related Exchange; and

(b) in the case of an Index which is not a Composite Index, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise: (i) on any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Index; or (ii) in futures or options contracts relating to the relevant Index on any relevant Related Exchange.

2. Market Disruption

"**Market Disruption Event**" means:

(a) in respect of a Composite Index either:

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

(a) 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;

(b) 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

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

B. in respect of a Multi-Exchange Index only, 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.

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

(b) in the case of Indices other than Composite Indices, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (iii) an Early Closure. For the purposes of determining whether a Market Disruption Event in respect of such Index exists at any time, if a Market Disruption Event

occurs in respect of a security included in such Index at any time, then the relevant percentage contribution of that security to the level of the Index shall be based on a comparison of (A) the portion of the level of such Index attributable to that security and (B) the overall level of such Index, in each case immediately before the occurrence of such Market Disruption Event.

The Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with Security Condition 8 (*Notices*) of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been the Strike Date, an Averaging Date, an Observation Date, the Automatic Early Settlement Valuation Date or a Valuation Date, as the case may be.

3. Adjustments to an Index

3.1 **Successor Index Sponsor Calculates and Reports an Index**

If a relevant Index is (a) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor (the "**Successor Index Sponsor**") acceptable to the Calculation Agent, or (b) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then in each case that index (the "**Successor Index**") will be deemed to be the Index.

3.2 **Modification and Cessation of Calculation of an Index**

If (a) on or prior to the Strike Date, the last Averaging Date, the last Observation Date or the last Valuation Date, the relevant Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating a relevant Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent stock and capitalisation and other routine events) (an "**Index Modification**"), or permanently cancels a relevant Index and no Successor Index exists (an "**Index Cancellation**"), or (b) on the Strike Date, an Averaging Date, an Observation Date or a Valuation Date, the Index Sponsor or (if applicable) the Successor Index Sponsor fails to calculate and announce a relevant Index (an "**Index Disruption**" and, together with an Index Modification and an Index Cancellation, each an "**Index Adjustment Event**"), then:

(a) the Calculation Agent shall determine if such Index Adjustment Event has a material effect on the Securities and, if so, shall calculate the relevant value, level or price using, in lieu of a published level for that Index, the level for that Index as at the Valuation Time on that Strike Date, that Valuation Date, that Observation Date or that Averaging Date, as the case may be, as determined by the Calculation Agent in accordance with the formula for and method of calculating that Index last in effect prior to the change, failure or cancellation, but using only those securities that comprised that Index immediately prior to that Index Adjustment Event; or

(b) the Calculation Agent may replace the relevant Index with a new similar index, multiplied, if need be by a linking coefficient to ensure continuity in the condition of the underlying of the Securities; or

(c) (i) unless Delayed Settlement on Occurrence of Index Adjustment Event, Highest Value, Market Value or Monetisation Option are specified as being applicable in the applicable Final Terms, the Issuer may settle the Securities by giving notice to Securityholders in accordance with Security Condition 8 (*Notices*). If the Securities are so settled the Issuer will pay an amount to each Securityholder in respect of each Security, being settled at an amount equal to the fair market value of such Security, as the case may be, taking into account the Index Adjustment Event, less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, payment being made in such manner as shall be notified to the Securityholders in accordance with Security Condition 8 (*Notices*); or

(ii) if Delayed Settlement on Occurrence of Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security, , taking into account the Index Adjustment Event less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Index Adjustment Amount**") as soon as practicable following the occurrence of the Index Adjustment Event (the "**Calculated Index Adjustment Amount Determination Date**") and on the Settlement Date shall settle each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Index Adjustment Amount plus interest accrued from and including the Calculated Index Adjustment Amount Determination Date to but excluding the Settlement Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Protected Amount (specified in the applicable Final Terms); or

(iii) if Highest Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityholder an amount in respect of each Security, held by such Securityholder calculated and paid on such date determined, in accordance with Security Condition 20(a);

(iv) if Market Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityholder

an amount in respect of each Security held by such Securityholder calculated and paid on such date determined, in accordance with Security Condition 20(b);

(v) if Monetisation Option is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityholder an amount in respect of each Security held by such Securityholder calculated and paid on such date determined, in accordance with Security Condition 20(c); or

(vi) if the Calculation Agent determines that such Index Adjustment Event constitutes a *force majeure*, and if Index Security Condition 3.2(c)(vi) is specified in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityholder an amount in respect of each Security held by such Securityholder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early settle the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Securityholders on the date notified to the Securityholders in the notice of early settlement.

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

3.3 **Notice**

The Calculation Agent shall, as soon as practicable, notify the Fiscal Agent of any determination made by it pursuant to paragraph 3.2 above and the action proposed to be taken in relation thereto and such the Fiscal Agent, shall make available for inspection by Securityholders copies of any such determinations.

4. Correction of Index

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

Business Days prior to a due date for payment under the Securities will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.

5. Futures Price Valuation

5.1 If "Futures Price Valuation" is specified as applicable in relation to an Index in the applicable Final Terms, in respect of such Index, the following provisions shall apply to these Index Security Conditions:

"**First Traded Price**" means, in relation to each Cash Settled Security and subject to the provisions of this Annex 2:

(a) in the case of Index Securities relating to a Basket of Indices and in respect of each Index comprising the Basket of Indices, an amount (which shall be deemed to be a monetary value in the Index Currency) equal to the Actual First Traded Price of the relevant Current Exchange-traded Contract in respect of such Index as determined by the Calculation Agent on the relevant Settlement Price Date, multiplied by the relevant Weighting; and

(b) in the case of Index Securities relating to a single Index, an amount (which shall be deemed to be a monetary value in the Index Currency) equal to the Actual First Traded Price of the relevant Current Exchange-traded Contract in respect of the Index as determined by the Calculation Agent on the relevant Settlement Price Date.

"**Settlement Price**" means, in relation to each Security, and subject to the provisions of this Annex 2:

(a) in the case of Index Securities relating to a Basket of Indices and in respect of each Index comprising the Basket of Indices, an amount (which shall be deemed to be a monetary value in the Index Currency) equal to the Official Settlement Price of the relevant Current Exchange-traded Contract in respect of such Index as determined by the Calculation Agent on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date and, in either case, multiplied by the relevant Weighting; and

(b) in the case of Index Securities relating to a single Index, an amount (which shall be deemed to be a monetary value in the Index Currency) equal to the Official Settlement Price of the relevant Current Exchange-traded Contract in respect of the Index as determined by the Calculation Agent on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date.

For the purposes of determining whether a day is a Scheduled Trading Day where Futures Price Valuation applies in relation to any Index or (in the case of a Basket of Indices) any constituent Index any reference to such Index or constituent Index in the definition of Scheduled Trading Day will be deemed not to apply and instead a Scheduled Trading Day must be a day on which the Official

Settlement Price or, if First Traded Price Applicable is specified in the applicable Final Terms, the Actual First Traded Price, as applicable, is scheduled to be published by the relevant Futures or Options Exchange in relation to each such Index to which Futures Price Valuation applies.

Where Futures Price Valuation applies in relation to any Index or (in the case of a Basket of Indices) any constituent Index, an Exchange Business Day must be a day on which the relevant Futures or Options Exchange in relation to each such Index is open for trading during their regular trading session(s), notwithstanding any such Futures or Options Exchange closing prior to its scheduled weekday closing time on such Exchange Business Day, without regard to after hours or any other trading outside of the regular trading session hours.

The Disrupted Day provisions in the Security Conditions and/or these Index Security Conditions will not apply in relation to any Index or (in the case of a Basket of Indices, any Index comprising the Basket of Indices) in respect of which Futures Price Valuation applies, unless (other than in the case Single Final Payout - Leverage Factor Securities) there is a Non-Commencement or Discontinuance of an Exchange-traded Contract, in which case the Disrupted Day provisions will apply to the relevant Index or constituent Index.

For these purposes:

"**Actual First Traded Price**" means the price at which the relevant Exchange-traded Contract is first traded on the relevant Futures or Options Exchange or its clearing house after 5:29:59 p.m. (Central European Time) as appearing first on the list of prices for such time published on the Relevant Futures or Options Exchange Website (as specified in the applicable Final Terms) or the Relevant FTP Screen Page (as specified in the applicable Final Terms), as applicable, or, if such Relevant Futures or Options Exchange Website or Relevant FTP Screen Page is not available, such replacement website or page as the Calculation Agent shall select or, subject to Index Security Condition 5.4 (*Non-Commencement or Discontinuance of an Exchange-traded Contract*), if the Relevant Futures or Options Exchange Website or Relevant FTP Screen Page is not available and the Calculation Agent determines that no replacement website or page exists or no such price is published after such time, the price determined by the Calculation Agent in good faith and in a commercially reasonable manner by reference to such sources as it considers appropriate.

"**Current Exchange-traded Contract**" means (a) if the Securities are not Rolling Futures Contract Securities, the Exchange-traded Contract and (b) if the Securities are Rolling Futures Contract Securities, the futures contract determined pursuant to Index Security Condition 5.2 (*Rolling Futures Contract Securities*) below.

"**Exchange-traded Contract**" means, in relation to an Index, the futures or options contract(s) specified as such for the Index in the applicable Final Terms, in each case, identified by reference to (a) the Index to which it relates, (b) the Futures or Options Exchange on which each such contract is traded and (c)(i) if the Securities are not Rolling Futures Contract Securities, the delivery or expiry month of

such contract or (ii) if the Securities are Rolling Futures Contract Securities, the specified period of each such contract and the Futures Rollover Date.

"**Futures or Options Exchange**" means, in respect of an Index, the relevant exchange specified in the description of the Exchange-traded Contract for such Index in the applicable Final Terms.

"**Futures Rollover Date**" means either:

(a) the date specified as such in the applicable Final Terms; or

(b) the date selected by the Calculation Agent acting in good faith and a commercially reasonable manner within the period ("**Futures Rollover Period**") specified in the applicable Final Terms.

"**Non-Commencement or Discontinuance of an Exchange-traded Contract**" means there is no Official Settlement Price or, if First Traded Price Applicable is specified in the applicable Final Terms, the Actual First Traded Price, as applicable, as a result of the fact that trading in the Exchange-traded Contract never commences or is permanently discontinued at any time on or prior to Valuation Date, Observation Date, Averaging Date or other date for valuation or observation or other relevant date, as the case may be, of the relevant Index.

"**Official Settlement Price**" means the official settlement price (howsoever described under the rules of the relevant Futures or Options Exchange or its clearing house) of the relevant Exchange-traded Contract published by the relevant Futures or Options Exchange or its clearing house and as determined by the Calculation Agent.

5.2 **Rolling Futures Contract Securities**

If the applicable Final Terms specify that the Securities are "Rolling Futures Contract Securities", the Securities will be valued by reference to futures contracts relating to the Index that have delivery or expiry months that do not correspond with the term of the Securities. In such case, on or prior to the Issue Date, the Calculation Agent will select an Exchange-traded Contract and for each following day until the Futures Rollover Date such futures contract will be the Current Exchange-traded Contract. On each Futures Rollover Date the Calculation Agent will select another Exchange-traded Contract and such contract shall be the Current Exchange-traded Contract until the next occurring Futures Rollover Date. Notwithstanding the provisions of 5.3 *(Adjustments to an Exchange-traded Contract*) or 5.4 (*Non-Commencement or Discontinuance of an Exchange-traded Contract*) if on a Futures Rollover Date a Non-Commencement or Discontinuance of an Exchange-traded Contract occurs and it is impossible or materially impracticable for the Calculation Agent to select an Exchange-traded Contract and/or, unless Related Hedging is specified as not applicable in the applicable Final Terms, at such time hedge the Issuer's obligations in respect of the Securities then:

(i) unless Delayed Settlement on Occurrence of a Non-Commencement or Discontinuance of an Exchange-traded Contract, Highest Value, Market Value or Monetisation Option (with

reference only to Certificates) are specified as being applicable in the applicable Final Terms, the Issuer may settle the Securities by giving notice to Securityholders in accordance with Security Condition 8 (*Notices*). If the Securities are so settled the Issuer will pay an amount to each Securityholder in respect of each Security, being settled at an amount equal to the fair market value of such Security taking into account the Non-Commencement or Discontinuance of an Exchange-traded Contract, less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, payment being made in such manner as shall be notified to the Securityholders in accordance with Security Condition 8 (*Notices*);

(ii) if Delayed Settlement on Occurrence of a Non-Commencement or Discontinuance of an Exchange-traded Contract is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Non-Commencement or Discontinuance of an Exchange-traded Contract less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Contract Adjustment Amount**") as soon as practicable following the occurrence of the Non-Commencement or Discontinuance of an Exchange-traded Contract (the "**Calculated Contract Adjustment Amount Determination Date**") and on the Settlement Date shall settle each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Contract Adjustment Amount plus interest accrued from and including the Calculated Contract Adjustment Amount Determination Date to but excluding the Settlement Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Protected Amount (specified in the applicable Final Terms);

(iii) if Highest Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityholder an amount in respect of each Security held by such Securityholder calculated and paid on such date determined, in accordance with Security Condition 20(a)

(iv) if Market Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityholder an amount in respect of each Security held by such Securityholder calculated and paid on such date determined, in accordance with Security Condition 20(b); or

(v) with reference only to Certificates, if Monetisation Option is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each

Securityholder an amount in respect of each Security held by such Securityholder calculated and paid on such date determined, in accordance with Security Condition 20(c); or

(vi) if the Calculation Agent determines that such Non-Commencement or Discontinuance of an Exchange-traded Contract constitutes a *force majeure*, and if Index Security Condition 5.2(vi) is specified in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityholder an amount in respect of each Security held by such Securityholder, which amount shall be equal to the fair market value of a Security taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early settle the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Securityholders on the date notified to the Securityholders in the notice of early settlement.

5.3 **Adjustments to an Exchange-traded Contract**

Without duplication of Index Security Condition 3 (*Adjustments to an Index*) or Index Security Condition 4 (*Correction of Index*) (which shall govern in the event of a conflict), in the event that the terms of an Exchange-traded Contract are changed or modified by the Futures or Options Exchange, the Calculation Agent shall make the appropriate adjustment, if any, to any of the Conditions and/or the applicable Final Terms to account for such change or modification.

5.4 **Non-Commencement or Discontinuance of an Exchange-traded Contract**

Where there is a Non-Commencement or Discontinuance of an Exchange-traded Contract, the Official Settlement Price or Actual First Traded Price, as applicable, for any Valuation Date, Observation Date, Averaging Date or any other relevant date for valuation or observation, as the case may be, of the relevant Index shall be deemed to be the level of the relevant Index at the close of the regular trading session on the relevant Exchange or, in the case of a Composite Index, the time at which the official closing level of the Index is calculated and published by the Index Sponsor, in each case on the Valuation Date, Observation Date, Averaging Date or other relevant date.

Notwithstanding the foregoing, if in respect of Single Final Payout - Leverage Factor Securities, if on any Exchange Business Day a Non-Commencement or Discontinuance of an Exchange-traded Contract occurs, then:

(i) unless Delayed Settlement on Occurrence of a Non-Commencement or Discontinuance of an Exchange-traded Contract, Highest Value, Market Value or Monetisation Option (with reference only to Certificates) are specified as being applicable in the applicable Final Terms, the Issuer may settle the Securities by giving notice to Securityholders in accordance with Security Condition 8 (*Notices*). If the Securities are so settled the Issuer will pay an amount to each Securityholder in respect of each Security, being settled at an amount equal to the fair market value of such Security taking into account the Non-Commencement or Discontinuance

of an Exchange-traded Contract, less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, payments being made in such manner as shall be notified to the Securityholders in accordance with Security Condition 8 (*Notices*); or

(ii) if Delayed Settlement on Occurrence of Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Non-Commencement or Discontinuance of an Exchange-traded Contract less unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Contract Adjustment Amount**") as soon as practicable following the occurrence of the Non-Commencement or Discontinuance of an Exchange-traded Contract (the "**Calculated Contract Adjustment Amount Determination Date**") and on the Settlement Date shall settle each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Contract Adjustment Amount plus interest accrued from and including the Calculated Contract Adjustment Amount Determination Date to but excluding the Settlement Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Protected Amount (specified in the applicable Final Terms);

(iii) if Highest Value is specified in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityholder an amount in respect of each Security held by such Securityholder calculated and paid on such date determined, in accordance with Security Condition 20(a);

(iv) if Market Value is specified in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityholder an amount in respect of each Security held by such Securityholder calculated and paid on such date determined, in accordance with Security Condition 20(b); or

(v) with reference only to Certificates, if Monetisation Option is specified in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityholder an amount in respect of each Security held by such Securityholder calculated and paid on such date determined, in accordance with Security Condition 20(c); or

(vi) if the Calculation Agent determines that such Non-Commencement or Discontinuance of an Exchange-traded Contract constitutes a *force majeur*e, and if Index Security Condition 5.4(vi) is specified in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities

and pay to each Securityholder an amount in respect of each Security held by such Securityholder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early settle the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Securityholders on the date notified to the Securityholders in the notice of early settlement;

5.5 **Correction of the Official Settlement Price or Actual First Traded Price**

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

ANNEX 3

ADDITIONAL TERMS AND CONDITIONS FOR SHARE SECURITIES

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Securities specified in the applicable Final Terms as Share Securities shall comprise the terms and conditions of Securities (the "**Security Conditions**") and the additional Terms and Conditions for Share Securities set out below (the "**Share Security Conditions**"), in each case together with any other additional terms and conditions specified in the applicable Final Terms and subject to completion in the applicable Final Terms. In the event of any inconsistency between (i) the Security Conditions and (ii) the Share Security Conditions, the Share Security Conditions shall prevail.

1. Definitions

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

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

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

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

"**Closing Price**" means, in respect of a Share and a Scheduled Trading Day:

(i) if AQR is not specified as applicable in the applicable Final Terms, the official closing price of such Share on such day as determined by the Calculation Agent, subject as provided in Share Security Condition 3 (*Potential Adjustment Events*) and Share Security Condition 5 (*Extraordinary Events*) (as amended where "GDR/ADR" is specified as applicable); or

(ii) If AQR is specified as applicable in the applicable final terms and (a) if Averaging is not specified in the applicable Final Terms, the volume-weighted average price of the Share on the Exchange on such day as displayed on the appropriate Bloomberg screen using function "AQR", subject to custom condition "Automatic Trade" on the Bloomberg information system (or any future successor screen page or information system) on the relevant Settlement Price Date at the Valuation Time indicated in the applicable Final Terms, or (b) if Averaging is specified as applicable in the applicable Final Terms, an amount determined by the Calculation Agent to be equal to the arithmetic mean of the volume-weighted average price of the Share on

the Exchange as displayed on the appropriate Bloomberg screen using function "AQR", subject to custom condition "Automatic Trade" on the Bloomberg information system (or any future successor screen page or information system) on each of the Averaging Dates at the Valuation Time indicated in the applicable Final Terms (in both cases under (a) and (b), the "**VWA Closing Price**"), 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 Closing Price, all as determined by or on behalf of the Calculation Agent acting in good faith and in a commercially reasonable manner.

"**Disrupted Day**" means any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred;

"**Early Closure**" means the closure on any Exchange Business Day of the relevant Exchange(s) or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or such Related Exchange(s), as the case may be, at least one hour prior to the earlier of (a) the actual closing time for the regular trading session on such Exchange(s) or such Related Exchange(s) on such Exchange Business Day and (b) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day;

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

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

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

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

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

"**Exchange Disruption**" means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (a) to effect transactions in, or obtain market values for, the Share(s) on the Exchange or (b) to effect transactions in, or obtain market values for, futures or options contracts on or relating to the Share(s) 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 acting in good faith and in a commercially reasonable manner;

"**Intraday Price**" means, in respect of a Share and any time on a Scheduled Trading Day, the published or quoted price of such Share at such time on such day as determined by the Calculation Agent, subject as provided in Share Security Condition 3 (*Potential Adjustment Events)*and Share Security Condition 5 (*Extraordinary Events*) (as amended where "GDR/ADR" is specified as applicable);

"**Italian Securities Reference Price**" means the *Prezzo di Riferimento*, which means, in relation to a Share and a Scheduled Trading Day, the price for such Share published by the Italian Stock Exchange at the close of trading for such day and having the meaning ascribed thereto in the Rules of the Market organised and managed by the Italian Stock Exchange, as such Rules may be amended by the Borsa Italiana S.p.A. from time to time;

"**Protected Amount**" means the amount specified as such in the applicable Final Terms;

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

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

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

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

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

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

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

"**Settlement Price**" means, in relation to each Security, and subject to the provisions of this Annex 3 and as referred to in "Strike Date", "Averaging Date", "Observation Date" or "Valuation Date", as the case may be:

(a) in the case of Share Securities relating to a Basket of Shares and in respect of each Share comprising the Basket of Shares, an amount equal to the official closing price or the Italian Securities Reference Price, as specified in the applicable Final Terms, (or the price at the Valuation Time on the relevant Settlement Price Date or an Averaging Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such Share on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date, or, other than in the case of Single Final Payout - Leverage Factor Securities, if in the opinion of the Calculation Agent, any such official closing price or Italian Securities Reference Price (or the price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be so determined and the relevant Settlement Price Date or Averaging Date, as the case may be, is not a Disrupted Day, an amount determined by the Calculation Agent to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) and the closing fair market selling price (or the fair market selling price at the Valuation Time on the relevant Settlement Price Date or

such Averaging Date, as the case may be, if so specified in the applicable Final Terms) for such Share whose official closing price or Italian Securities Reference 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 by the Calculation Agent, acting in good faith and a commercially reasonable manner, either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions (as selected by the Calculation Agent) engaged in the trading of such Share (or on such other factors as the Calculation Agent shall decide), multiplied by the relevant Weighting, such amount 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 acting in good faith and in a commercially reasonable manner; and

(b) in the case of Share Securities relating to a single Share, an amount equal to, as specified in the applicable Final Terms:

(i) if AQR is not specified as applicable in the applicable Final Terms, the official closing price or the Italian Securities Reference Price, as specified in the applicable Final Terms, (or the price at the Valuation Time on the relevant Settlement Price Date or an Averaging Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such Share on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date, or, other than in the case of Single Final Payout - Leverage Factor Securities, if, in the opinion of the Calculation Agent, any such official closing price or Italian Securities Reference 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 determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, 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 acting in good faith and in a commercially reasonable manner; or

(ii) If AQR is specified as applicable in the applicable final terms and (a) if Averaging is not specified as applicable in the applicable Final Terms, the volume-weighted average price of the Share on the Exchange as displayed on the appropriate Bloomberg screen using function "AQR", subject to custom condition "Automatic Trade" on the Bloomberg information system (or any future successor screen page or information system) on the relevant Settlement Price Date at the Valuation Time indicated in the applicable Final Terms, or (b) if Averaging is specified as applicable in the applicable Final Terms, an amount determined by the Calculation Agent to be equal to the arithmetic mean of the volume-weighted average price of the Share on the Exchange as displayed on the appropriate Bloomberg screen using function "AQR", subject to custom condition "Automatic Trade" on the Bloomberg information system (or any future successor screen page or information system) on each of the Averaging Dates at the Valuation Time indicated in the applicable Final Terms (in both cases under (a) and (b), the "**VWA Settlement Price**"), 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 acting in good faith and in a commercially reasonable manner.

"**Settlement Price Date**" means the Strike Date, an Observation Date or the Valuation Date, as the case may be, or if the Securities are Single Final Payout - Leverage Factor Securities, an Exchange Business Day and the Valuation Date;

"**Shares**" and "**Share**" mean, subject to adjustment in accordance with this Annex 3, in the case of an issue of Securities relating to a Basket of Shares, each share and, in the case of an issue of Securities relating to a single Share, the share, specified in the applicable Final Terms and related expressions shall be construed accordingly;

"**Share Company**" means, in the case of an issue of Securities relating to a single Share, the company that has issued such Share;

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

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

2. Market Disruption

"**Market Disruption Event**" means, in relation to Securities relating to a single Share or a Basket of Shares, in respect of a Share, the occurrence or existence of (a) a Trading Disruption, (b) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (c) an Early Closure.

The Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with Security Condition 8 (*Notices*) of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been the Strike Date, an Averaging Date, an Observation Date, the Automatic Early Settlement Valuation Date or a Valuation Date as the case may be.

3. Potential Adjustment Events

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

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

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

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

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

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

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

determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or

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

"**Potential Adjustment Event Effective Date**" means, in respect of a Potential Adjustment Event, the date on which such Potential Adjustment Event is announced by the relevant Basket Company or Share Company, as the case may be, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner.

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, acting in good faith and in a commercially reasonable manner, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Shares and, if so, will (a) make the corresponding adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share) and (b) determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the Shares traded on that options exchange.

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

Upon the making of any such adjustment by the Calculation Agent, the Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with Security Condition 8 (*Notices*), stating the adjustment to any Relevant Asset and/or the Entitlement (where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms and giving brief details of the Potential Adjustment Event and the Potential Adjustment Event Effective Date.

4. Dividend Event

If "Dividend Protection" is specified as being applicable in the applicable Final Terms, upon the occurrence of a Dividend Event during the period from, but excluding, the Issue Date, to, and including, the Exercise Date as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, the Calculation Agent may, acting in good faith and in a commercially reasonable manner, and unless otherwise provided in the Final Terms, adjust the values and level indicated in the

applicable Final Terms by multiplying such levels by the Adjustment Factor K (rounded to the fourth decimal digit).

Upon the making of any such adjustments, the Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with Security Condition 8 (*Notices*) stating the occurrence of the Dividend Event and providing details of the relevant adjustments, provided that any failure to give, or non-receipt of, such notice will not affect the validity of any such adjustment.

Where:

"**Actual Dividend**" means, in respect of any Business Day (i) if the distribution is made in cash, 100% of the gross cash dividend per Share declared by the Share Company, as the case may be, to holders of record of a Share and for which the Ex-Dividend Date falls on such Business Day; and (ii) if the distribution is made otherwise, a dividend amount per share as determined by the Calculation Agent as equal to the fair market value of the distributed assets on the relevant Ex-Dividend Date and for which the Ex-Dividend Date falls on such day; and (iii) if no distribution is made for which the Ex-Dividend Date falls on such Business Day, zero.

Where a distribution is announced which may, at the election of the relevant shareholder, be satisfied by a payment of cash or a distribution of shares, the distribution shall be treated as a cash dividend in an amount equal to such cash amount.

"**Adjustment Factor K**" means the factor calculated in accordance with the following formula and rounded to the eight decimal digit:

$$\text{Adjustment Factor K} = \frac{\text{Cum Reference Price} - \text{Actual Dividend}}{\text{Cum Reference Price} - \text{Scheduled Dividend}}$$

"**Cap Level**" is as defined in the applicable Final Terms.

"**Cum Reference Price**" means the official closing price of the Shares on the Exchange Business Day preceding the Ex-Dividend Date.

"**Dividend Event**" means that on any Business Day either:

(i) the Actual Dividend declared by the Share Company, in respect of the Share in relation to which the Ex-Dividend Date falls on such Business Day differs from the amount of the Scheduled Dividend for such Business Day; or

(ii) the Scheduled Dividend for such Business Day is greater than zero, but there is no Actual Dividend declared by the Share Company, in relation to which the Ex-Dividend Date falls on such Business Day.

"**Ex-Dividend Date**" means either (i) the first Business Day following the declaration of a distribution on which a holder of a Share on such Business Day is not entitled to receive such distribution or (ii) each Scheduled Ex-Date.

"**Scheduled Dividend**" is as defined in the applicable Final Terms.

"**Scheduled Ex-Date**" is as defined in the applicable Final Terms.

5. Extraordinary Events

5.1 The occurrence of any of De-Listing, Insolvency, Merger Event, Nationalisation, Tender Offer (unless Tender Offer is specified as not applicable in the applicable Final Terms), or, if specified as applicable in the applicable Final Terms, Illiquidity, Listing Change, Listing Suspension or CSR Event, as the case may be, shall be deemed to be an "**Extraordinary Event**", the consequences of which are set forth in Share Security Condition 5.2 (*Consequences of the occurrence of an Extraordinary Event):*

"**CSR Event**" means, in respect of Share Securities relating to a Basket of Shares, any negative change in any Non-Financial Rating of a Basket Company when compared to such Non-Financial Rating as at the Issue Date of the first tranche of the Series, if such change is material, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner.

"**De-Listing**" means, in respect of any relevant Shares, the Exchange announces that pursuant to the rules of such Exchange, such Shares cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on (a) where the Exchange is located in the United States, any of the New York Stock Exchange, the American Stock Exchange or the NASDAQ National Market System (or their respective successors) or (b) a comparable exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in a member state of the European Union).

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

"**Insolvency**" means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the Basket Company or Share Company, as the case may be, (a) all the Shares of that Basket Company or Share Company, as the case may be, are required to be transferred to a trustee, liquidator or other similar official or (b) holders of the Shares of that Basket Company or Share Company, as the case may be, become legally prohibited from transferring them.

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

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

"**Merger Event**" means, in respect of any relevant Shares, any:

(a) reclassification or change of such Shares that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person,

(b) consolidation, amalgamation, merger or binding share exchange of a Basket Company or Share Company, as the case may be, with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Basket Company or Share Company, as the case may be, is the continuing entity and which does not result in a reclassification or change of all of such Shares outstanding),

(c) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Shares of the Basket Company or Share Company, as the case may be, that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), or

(d) consolidation, amalgamation, merger or binding share exchange of the Basket Company or its subsidiaries or the Share Company or its subsidiaries, as the case may be, with or into another entity in which the Basket Company or Share Company, as the case may be, is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares immediately following such event,

in each case if the relevant Extraordinary Event Effective Date is on or before (i) in the case of Cash Settled Securities, the last occurring Valuation Date or where Averaging is specified in the applicable Final Terms, the final Averaging Date in respect of the relevant Security or (ii) in the case of Physical Delivery Securities, the relevant Settlement Date.

"**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.

"**Non-Financial Rating**" means the rating assigned to the Basket Company by the relevant non-financial rating agency being an entity assigning ratings based on corporate social responsibility

including corporate governance and ethical business conduct, social and human resources policy, environmental protection policy and social initiatives (each such agency, a "**Non-Financial Rating Agency**").

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

5.2 *Consequences of the occurrence of an Extraordinary Event:*

If an Extraordinary Event occurs in relation to a Share, the Issuer may take any of the relevant actions described in (a), (c) or (d) (in the case of Securities relating to either a single Share or a Basket of Shares), or (b) or (e) (in the case of Securities relating to a Basket of Shares) as it deems appropriate:

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

(b) in the case of Share Securities relating to a Basket of Shares, settle in part by giving notice to Securityholders in accordance with Security Condition 8 (*Notices*). If the Securities are so settled in part the portion (the "**Settled Amount**") of each Security, representing the affected Share(s) shall be settled and the Issuer will:

(i) if Highest Value is specified as applicable in the applicable Final Terms, pay to each Securityholder an amount in respect of each Security held by such Securityholder calculated and paid on such date determined, in accordance with Security Condition 20(a);

(ii) if Market Value is specified as applicable in the applicable Final Terms, pay to each Securityholder an amount in respect of each Security held by such Securityholder

calculated and paid on such date determined, in accordance with Security Condition 20(b); or

(iii) if the Calculation Agent determines that such Extraordinary Event constitutes a *force majeure*, and if Share Security Condition 5.2(b)(iii) is specified in the applicable Final Terms, the Issuer will pay to each Securityholder an amount in respect of each Security held by such Securityholder, which amount shall be equal to the fair market value of the Settled Amount, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early settlement in part the Securities at the Settled Amount) and no such costs shall be deducted), such amount to be paid to the Securityholders on the date notified to the Securityholders in the notice of partial settlement; or

(iv) otherwise, pay to each Securityholder in respect of each Security held by him an amount equal to the fair market value of the Settled Amount taking into account the relevant Extraordinary Event, less, unless if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner; and

(v) require the Calculation Agent to determine acting in good faith and in a commercially reasonable manner the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for such settlement in part.

For the avoidance of doubt the remaining part of each Security after such settlement and adjustment shall remain outstanding with full force and effect. Payments will be made in such manner as shall be notified to the Securityholders in accordance with Security Condition 8 (*Notices*);

(c) (i) unless Delayed Settlement on Occurrence of an Extraordinary Event, Highest Value, Market Value or Monetisation Option (with reference only to Certificates) are specified as being applicable in the applicable Final Terms, on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*) settle all but not some only of the Securities at the amount equal to the fair market value of such Security. taking into account the relevant Extraordinary Event, less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, payment being made in such manner as shall be notified to the Securityholders in accordance with Security Condition 8 (*Notices*); or

(ii) if Delayed Settlement on Occurrence of an Extraordinary Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of such Security taking into account the relevant Extraordinary Event, less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Extraordinary Event Amount**") as soon as practicable following the occurrence of the relevant Extraordinary Event (the "**Calculated Extraordinary Event Amount Determination Date**") and on the Settlement Date shall settle each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Extraordinary Event Amount plus interest accrued from and including the Calculated Extraordinary Event Amount Determination Date to but excluding the Settlement Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as applicable in the applicable Final Terms and if greater, the Protected Amount (specified in the applicable Final Terms); or

(iii) if Highest Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityholder an amount in respect of each Security held by such Securityholder calculated and paid on such date determined, in accordance with Security Condition 20(a);

(iv) if Market Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityholder an amount in respect of each Security held by such Securityholder calculated and paid on such date determined, in accordance with Security Condition 20(b); or

(v) with reference only to Certificates, if Monetisation Option is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityholder an amount in respect of each Security held by such Securityholder calculated and paid on such date determined, in accordance with Security Condition 20(c);

(vi) if the Calculation Agent determines that an Extraordinary Event constitutes a *force majeure*, and if Share Security Condition 5.2(c)(vi) is specified in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityholder an amount in respect of each Security held by such Securityholder, which amount shall be equal to the fair market value of a Security taking into account such event (provided that no account will be taken of costs (other than such costs that

are unavoidable to early settle the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Securityholders on the date notified to the Securityholders in the notice of early settlement; or

(d) following such adjustment to the settlement terms of options on the Shares traded on such exchange(s) or quotation system(s) as the Issuer shall select (the "**Options Exchange**"), require the Calculation Agent to make a corresponding adjustment to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Exchange. If options on the Shares are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner 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

(e) on or after the relevant Extraordinary Event Effective Date, the Calculation Agent may adjust the Basket of Shares to include a Share selected by it in accordance with the criteria for Share selection set out below (each, a "**Substitute Share**") for each Share (each, an "**Affected Share**") of each Basket Company (each, an "**Affected Basket Company**") which is affected by such Extraordinary Event and the Substitute Share will be deemed to be a "**Share**" and the relevant issuer of such shares a "**Basket Company**" for the purposes of the Securities, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner 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:

initial price = A × (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**") acting in good faith and in a commercially reasonable manner and specified in the notice referred to below which may, but need not, be the relevant Extraordinary Event Effective Date.

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

In order to be selected as a Substitute Share, the relevant share must satisfy the following criteria, in the determination of the Calculation Agent, acting in good faith and in a commercially reasonable manner:

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

(ii) where the relevant Extraordinary Event is a Merger Event or a Tender Offer and a share would otherwise satisfy the criteria set out in paragraph (i) above, but such share is already included in the Basket of Shares or such Share does not satisfy the criteria set out in paragraph (i) above, or in the case of an Extraordinary Event other than a Merger Event or a Tender Offer:

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

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

(C) in the case of the occurrence of a CSR Event only, the relevant issuer of the share shall have a comparable Non-Financial Rating to the Affected Basket Company.

If the Calculation Agent determines that more than one Extraordinary Event occurs in respect of a Share Company or a Basket Company, which are not connected and have different consequences pursuant to

this Share Security Condition 5.2, the Calculation Agent will determine which such Extraordinary Event and related consequences shall apply acting in good faith and in a commercially reasonable manner.

Upon the occurrence of an Extraordinary Event, if the Calculation Agent determines that an adjustment in accordance with the above provisions is necessary it shall notify the Issuer thereof as soon as practicable, and the Issuer shall give notice as soon as practicable to the Securityholders in accordance with Security Condition 8 (*Notices*) stating the occurrence of the Extraordinary Event, giving details thereof and the action proposed to be taken in relation thereto including, in the case of a Share Substitution, the identity of the Substitute Shares and the Substitution Date.

5.3 Hedging Liquidity Event

(a) "**Hedging Liquidity Event**" means that, at any time after the Listing Date of the Securities, the volume of Shares held by the Issuer and/or any of its Affiliates in relation to any hedging arrangements in respect of the Securities is above the Maximum Hedging Liquidity Level;

"**Maximum Hedging Liquidity Level**" means the percentage specified as such in the applicable Final Terms or, if not so specified, 50 per cent. of the daily average volume of the transactions on the Shares on the Exchange over the last 6 month time period appearing on the relevant Screen Page.

(b) Consequences of a Hedging Liquidity Event

If Hedging Liquidity Event is specified as applicable in the applicable Final Terms and in the determination of the Calculation Agent a Hedging Liquidity Event occurs in relation to a Share, the Issuer may immediately settle all but not some only of the Securities at the amount equal to the fair market value of such Security taking into account the relevant Hedging Liquidity Event, less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner. Notice of settlement will be given to Securityholders in accordance with Security Condition 8 (*Notices*) as soon as practicable following determination of the occurrence of the Hedging Liquidity Event and payments will be made in such manner as shall be notified to the Securityholders.

6. Correction of Share Price

With the exception of any corrections published after the day which is three Business Days prior to the due date for any payment or delivery under the Securities, if the price of the relevant Share published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities is subsequently corrected and the correction is published by the relevant Exchange within the number of days equal to the Share Correction Period of the original publication, the price to be used shall be the price of the relevant Share as so corrected. Corrections published after the day which is three 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.

7. Dividend Payment

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

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

(b) As soon as practicable following the Dividend Date, the Issuer shall give notice (a "**Cash Dividend Notice**") to the Securityholders in accordance with Security Condition 8 (*Notices*) of the Cash Dividend and the relevant Cash Dividend Payment Date and the Issuer, or failing which the Guarantor, if applicable, shall pay to each Securityholder on the Cash Dividend Payment Date an amount equal to the Cash Dividend Amount in respect of each Security held by him on the Cash Dividend Payment Date, provided that if the relevant Dividend Date has not occurred prior to the Settlement Date, the Issuer shall not be obliged to pay such Cash Dividend Amount and the Issuer and/or the Guarantor, if applicable, shall have no further obligation in respect thereof.

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

For the purposes of this Share Security Condition 7 the following definitions shall apply:

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

"**Cash Dividend Amount**" means, in respect of a Security, an amount calculated by the Calculation Agent equal to the Distributed Amount less a *pro rata* share of Dividend Expenses, such amount to be converted into the Settlement Currency at an exchange rate determined by the Calculation Agent acting in good faith and in a commercially reasonable manner on or as soon as practicable after the Dividend Date;

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

"**Distributed Amount**" means, in respect of a Cash Dividend, the amount of such dividend paid by the Share Company in respect of a Share, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner;

"**Dividend Date**" means, in respect of a Cash Dividend, the date on which such Cash Dividend would be received by a holder of the Share as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner; and

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

8. GDR/ADR

Share Security Conditions 9 (*Definitions relating to GDR/ADR)* to 13 (*Extraordinary Events)* (inclusive) apply where "GDR/ADR" is specified as applicable in the applicable Final Terms.

9. Definitions relating to GDR/ADR

"**ADR**" means an American Depositary Receipt;

"**Conversion Event**" means any event which in the determination of the Calculation Agent acting in good faith and in a commercially reasonable manner results (or will result) in the GDRs and/or ADRs being converted into Underlying Shares or any other listed Securities of the issuer of the Underlying Shares;

"**GDR**" means a Global Depositary Receipt; and

"**Underlying Shares**" means the shares underlying an ADR or GDR, as the case may be.

10. General

Save where specifically provided under the Final Terms, all references in the Security Conditions, and the Share Security Conditions to the "Shares" shall be deemed to be to the GDRs or ADRs, as applicable, and/or the Underlying Shares, references to the "Share Company" or "Basket Company", as applicable, shall be deemed to be to the issuer of the GDRs or ADRs, as the case may be, and the issuer of the Underlying Shares, and references to the "Exchange" shall be deemed to be to the exchange or quotation system on which the GDRs or ADRs, as the case may be, are listed and the exchange or quotation system on which the Underlying Shares are listed, and with such additional or alternative modifications as the Calculation Agent may consider necessary or otherwise desirable provided that any such amendment is not materially prejudicial to the Securityholders of Securities.

11. Share Event

Upon the occurrence of a Share Event, the Issuer may take the action described in paragraphs (a), (b), (c), (d) or (e), as applicable, of Share Security Condition 5.2. (*Consequences of the occurrence of an Extraordinary Event*) The Issuer shall give notice as soon as practicable to the Securityholders in accordance with Security Condition 8 (*Notices*) stating the occurrence of the Share Event, giving details thereof and the action proposed to be taken in relation thereto.

"**Share Event**" means each of the following events:

(a) written instructions have been given by the Issuer or a Qualified Investor to the depositary of the Underlying Shares to withdraw or surrender the Underlying Shares;

(b) the termination of the deposit agreement in respect of the Underlying Shares.

If an event constitutes both a Share Event and an Additional Disruption Event, the Calculation Agent shall, acting in good faith and in a commercially reasonable manner, determine which of these events such event constitutes.

12. Potential Adjustment Event

The following additional event shall be deemed added to paragraph (b) of the definition of Potential Adjustment Event in Share Security Condition 3 (*Potential Adjustments Events)*:

"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".

13. Extraordinary Events

The following additional events shall be deemed added to the first paragraph of Share Security Condition 5.1 after the words "as not applicable in the applicable Final Terms)":

"Conversion Event".

ANNEX 4

ADDITIONAL TERMS AND CONDITIONS FOR ETI SECURITIES

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Securities specified in the applicable Final Terms as ETI Securities shall comprise the terms and conditions of Securities (the "**Security Conditions**") and the additional Terms and Conditions for ETI Securities set out below (the "**ETI Security Conditions**"), in each case together with any other additional terms and conditions specified in the applicable Final Terms and subject to completion in the applicable Final Terms. In the event of any inconsistency between (i) the Security Conditions and (ii) the ETI Security Conditions, the ETI Security Conditions shall prevail.

1. **Definitions**

"**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;

"**Closing Price**" means, in respect of an ETI and a Scheduled Trading Day, the official closing price (or if Value per ETI Interest is specified as applicable in the applicable Final Terms, the Value per ETI Interest) in respect of the relevant ETI Interest in relation to such day as determined by the Calculation Agent, subject as provided in ETI Security Condition 3 (*Potential Adjustment Events)* or ETI Security Condition 4 (*Extraordinary ETI Events*)*;*

"**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 (i) any exchange traded fund, (ii) the issuer of (A) an exchange traded note, (B) exchange traded commodity or (C) any other exchange traded product or (iii) any other exchange traded entity specified as an ETI in the applicable Final Terms;

"**ETI Basket**" means, where the ETI Securities are linked to the performance of ETI Interests of more than one ETI, a basket comprising such ETI Interests;

"**ETI Documents**" means 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 (i) in respect of an exchange traded fund, an ownership interest issued to or held by an investor in such ETI, (ii) 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 (iii) 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 acting in good faith and in a commercially reasonable manner;

"**Final Calculation Date**" means the date specified as such in the applicable Final Terms;

"**Hedge Provider**" means the party (being, *inter alios*, the Issuer, the Guarantor (if applicable), the Calculation Agent, an affiliate or any third party) from time to time who hedges the Issuer's obligations in respect of the Securities 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 Date**" has the meaning given to it in the applicable Final Terms;

"**Hedging Shares**" means the number of ETI Interests that the Issuer and/or any of its Affiliates deems necessary to hedge the equity or other price risk of entering into and performing its obligations with respect to the Securities;

"**Hypothetical Investor**" means a hypothetical or actual investor (as determined by the Calculation Agent in the context of the relevant situation) in an ETI Interest which is deemed to have the benefits and obligations, as provided in the relevant ETI Documents, of an investor holding an ETI Interest at the relevant time. 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 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 of the Implied Embedded Option Value Determination Date, of any scheduled but unpaid payments under the Securities in respect of the period from (and including) the Extraordinary ETI Event Effective Date to (and including) the Settlement Date, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner but, notwithstanding anything to the contrary contained herein, taking into account, without limitation, such factors as the net proceeds actually received from the redemption or sale of any ETI Interests by the Hedge Provider, the volatility of the ETI Interests and any 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;

"**Intraday Price**" means, in respect of an ETI and any time on a Scheduled Trading Day, the published or quoted price (or if Value per ETI Interest is specified as applicable in the applicable Final Terms, the Value per ETI Interest) in respect of the relevant ETI Interest in relation to such time on such day as determined by the Calculation Agent, subject as provided in ETI Security Condition 3 *(Potential Adjustment Events*) or ETI Security Condition 4 (*Extraordinary ETI Events*);

"**Investment/AUM Level**" has the meaning given to it in the applicable Final Terms, or if not so specified, EUR 50,000,000 or the equivalent in any other currency;

"**Loss of Stock Borrow**" means that the Issuer and/or any Affiliate is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) any 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 Settlement Date. 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 an amount per Security determined by the sum of:

(i) the Implied Embedded Option Value on the Implied Embedded Option Value Determination Date; and

(ii) if Delayed Settlement 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 or Value Business 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 an amount per Security determined as:

(i) if Delayed Settlement on Occurrence of an Extraordinary ETI Event is specified as being applicable in the applicable Final Terms:

A. the greater of:

(1) the Protected Amount; and

(2) the Implied Embedded Option Value; and

B. the Simple Interest;

(ii) if Delayed Settlement on Occurrence of an Extraordinary ETI Event is not specified as being applicable in the applicable Final Terms, the Implied Embedded Option Value;

"**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 Interest 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 Interest 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, in relation to each Security, unless otherwise stated in the applicable Final Terms and subject to the provisions of these ETI Security Conditions and as referred to in "Valuation Date" or "Averaging Date", as the case may be:

(i) in the case of ETI 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, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, 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

(ii) in the case of ETI 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, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, 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 on 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 excluding) the later of (i) the Settlement Date, as the case may be, or (ii) the date falling five Business Days after the Implied Embedded Option Value Determination 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-EONIA-Swap Index (if the Settlement Currency is EUR) or USD-Federal Funds-H.15 (if the Settlement Currency is USD);

E. the "Simple Interest Spread" is as specified in the applicable Final Terms, or if not so specified minus 0.125 per cent.;

F. the "Floating Rate Day Count Fraction" is Actual/360;

G. the "Reset Date" is the Implied Embedded Option Value Determination Date and each date falling three calendar months after the previous Reset Date; and

H. "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) the Principal Protected Termination Amount or (y) the Non-Principal Protected Termination Amount as specified in the applicable Final Terms;

"**Termination Date**" means (i) the date determined by the Issuer and specified in the notice given to Securityholders in accordance with ETI Security Condition 6.2(c); or (ii) if Delayed Settlement on Occurrence of an Extraordinary ETI Event is specified as being applicable in the applicable Final Terms, the Settlement Date as the case may be;

"**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;

"**Value Business Day**" means a day (other than a Saturday or a Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the Value Business Day Centre(s) specified in the applicable Final Terms;

"**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 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. For the avoidance of doubt the period could be equal to specified number of consecutive or non-consecutive Scheduled Trading Days, as defined in the applicable Final Terms.

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 Securityholders in accordance with Security Condition 8 (*Notices*) 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 acting in good faith and in a commercially reasonable manner.

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, acting in good faith and in a commercially reasonable manner, 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 Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner 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 Securityholders in accordance with Security Condition 8 (*Notices*) stating the adjustment to any Relevant Asset and/or the Entitlement (where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms and giving brief details of the Potential Adjustment Event and the Potential Adjustment Event Effective Date.

4. **Extraordinary ETI Events**

Subject to the provisions of ETI Security Condition 5 (*Determination of Extraordinary ETI Events)* "**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 the Calculation Agent determines, acting in good faith and in a commercially reasonable manner, 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 determination of the Calculation Agent acting in good faith and in a commercially reasonable manner, 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 the 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 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 or cost 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 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 (or the combined effect thereof if occurring more than once) 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;

4.23 at any time on or after the Trade Date, the Issuer 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 Inc., or

any successor to the ratings business thereof ("**Moody's**"), and/or Standard and Poor's Rating Group (a division of McGraw-Hill, Inc.), 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 relevant ETI Documents provide for the payment of dividends, the occurrence of a Dividend Event;

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 or both an Extraordinary ETI Event and a Market Disruption Event, the Issuer may determine which Extraordinary ETI Event is to be triggered or whether such event or set of circumstances shall be an Extraordinary ETI Event or Market Disruption Event.

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 shall give notice (an "**Extraordinary ETI Event Notice**") to the Securityholders in accordance with Security Condition 8 (*Notices*) (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**") as soon as reasonably practicable following the determination of an Extraordinary ETI Event. The Extraordinary ETI Event Notice shall set out, if determined at that time, the action that it has determined to take in respect of the Extraordinary ETI

Event pursuant to ETI Security Condition 6.2 below. Where the action that the Issuer has determined to take is not, for whatever reason, set out in the Extraordinary ETI Event Notice, the action that the Issuer has determined to take shall be set out in a subsequent notice given to Securityholders in accordance with Security Condition 8 (*Notices*) as soon as reasonably practicable after the Extraordinary ETI Event Notification Date.

Neither the Issuer nor the Calculation Agent shall be responsible for any loss, underperformance or opportunity cost suffered or incurred by any Securityholder or any other person in connection with the Securities as a result of any delay in notifying Securityholders of the occurrence on Extraordinary Fund Event, 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 Issuer has determined the action to take pursuant to ETI Security Condition 6.2 below.

6.2 Following the occurrence of an Extraordinary ETI Event, the Issuer may take the action described below in (a), (b) or (c).

(a) Adjustment

If the Issuer determines that the action taken in respect of the Extraordinary ETI Event is to be "**Adjustment**", then it may:

(i) require the Calculation Agent to determine, acting in good faith and in a commercially reasonable manner, the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for the relevant Extraordinary 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 the Issuer shall select (the "**Options Exchange**"), require the Calculation Agent to make a corresponding adjustment to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Exchange. If options on the 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 the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner 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.

(b) Substitution

If the Issuer 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 the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner 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:

initial price = A × (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**") acting in good faith and in a commercially reasonable manner 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 acting in good faith and in a commercially reasonable manner:

(i) where the relevant Extraordinary ETI Event is a Merger Event or a Tender Offer (a) in the case of ETI Securities related to a single ETI, and (b) in the case of ETI 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 an ETI Security 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;

(c) Termination

If the Issuer determines that the action to be taken in respect of the Extraordinary ETI Event is to be "**Termination**", on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), (which such notice may be included in the Extraordinary ETI Event Notice in respect of the relevant Extraordinary ETI Event and will specify the Termination Date), all but not some only of the outstanding ETI Securities shall be settled by payment of the Termination Amount on the Termination Date. Payments will be made in such manner as shall be notified to the Securityholders in accordance with Security Condition 8 (*Notices*).

(d) General

In determining to take a particular action as a result of an Extraordinary ETI Event, the Issuer is under no duty to consider the interests of Securityholders 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 Securityholders 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. **Calculations and Determinations**

The Calculation Agent and/or the Issuer, as applicable, will make the calculations and determinations as described in the ETI Security 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 Security Conditions, the hedging arrangements in respect of the Securities and the nature of the relevant ETI and related ETI Interests.

ANNEX 5

ADDITIONAL TERMS AND CONDITIONS FOR DEBT SECURITIES

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Securities specified in the applicable Final Terms as Debt Securities shall comprise the terms and conditions of Securities (the "**Security Conditions**") and the additional Terms and Conditions for Debt Securities set out below (the "**Debt Security Conditions**"), in each case together with any other additional terms and conditions specified in the applicable Final Terms and subject to completion in the applicable Final Terms. In the event of any inconsistency between (i) the Security Conditions and (ii) the Debt Security Conditions, the Debt Security Conditions shall prevail.

1. Settlement Price

"**Settlement Price**" means, in relation to each Security, unless otherwise stated in the applicable Final Terms, in relation to each Cash Settled Security and subject as referred to in "Averaging Date" or "Valuation Date":

(a) in the case of Debt Securities relating to a basket of Debt Instruments, an amount equal to the sum of the values calculated for each Debt Instrument as (x) the Reference Price for such Debt Instrument appearing on the Relevant Screen Page at the Valuation Time as determined by or on behalf of the Calculation Agent 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 Reference Prices for such Debt Instrument at the Valuation Time on such Averaging Date or the Valuation 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 Instrument, such prices to be expressed as a percentage of the nominal amount of such Debt Instrument (y) multiplied by the product of the nominal amount of such Debt Instrument and the relevant Weighting; and

(b) in the case of Debt Securities relating to a single Debt Instrument, an amount equal to (x) the Reference Price for such Debt Instrument appearing on the Relevant Screen Page at the Valuation Time as determined by or on behalf of the Calculation Agent 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 Reference Prices for such Debt Instrument at the Valuation Time on such Averaging Date or the Valuation 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 Instrument, such prices to be expressed as a percentage of the nominal amount of the Debt Instrument (y) multiplied by the nominal amount of such Debt Instrument.

2. Exchange Business Day

"**Exchange Business Day**" means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the Exchange Business Day Centre(s) specified in the applicable Final Terms.

3. Market Disruption

"**Market Disruption Event**" shall mean, in respect of a Debt Instrument, the suspension of or limitation imposed on trading either on any exchange on which such Debt Instrument is traded or on any exchange on which options contracts or futures contracts with respect to such Debt Instrument are traded if, in the determination of the Calculation Agent, such suspension or limitation is material.

The Issuer shall give notice as soon as practicable to the Securityholders in accordance with Security Condition 8 (*Notices*) that a Market Disruption Event has occurred.

4. Correction of Debt Instrument Price

With the exception of any corrections published after the day which is three Business Days prior to the due date for any payment under the Securities, if the price of the relevant Debt Instrument 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 Debt Instrument Correction Period of the original publication, the price to be used shall be the price of the relevant Debt Instrument as so corrected. Corrections published after the day which is three Exchange Business Days prior to a due date for payment under the Securities will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.

5. Redemption or Cancellation of a Debt Instrument

Notwithstanding Security Condition 13 (*Additional Disruption Events And Optional Additional Disruption Events*), if on or prior to the last Averaging Date or the last Valuation Date, any Debt Instrument is redeemed (including any early redemption) or cancelled by the relevant Debt Instrument Issuer (a "**Debt Instrument Redemption Event**"), then:

(a) unless Delayed Settlement on Occurrence of Debt Instrument Redemption Event is specified as being applicable in the applicable Final Terms, the Issuer may settle the Securities by giving notice to Securityholders in accordance with Security Condition 8 (*Notices*). If the Securities are so settled the Issuer will pay an amount to each Securityholder in respect of each Security, being settled at an amount equal to the fair market value of such Security taking into account the Debt Instrument Settlement Event, less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner. Payments will be made in such manner as shall be notified to the Securityholders in accordance with Security Condition 8 (*Notices*); or

(b) if Delayed Settlement on Occurrence of Debt Instrument Settlement Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Debt Instrument Settlement Event less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Index Adjustment Amount**") as soon as practicable following the occurrence of the Debt Instrument Settlement Event (the "**Calculated Index Adjustment Amount Determination Date**") and on the Settlement Date shall settle each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Index Adjustment Amount plus interest accrued from and including the Calculated Index Adjustment Amount Determination Date to but excluding the Settlement Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Protected Amount (specified in the applicable Final Terms).

The Calculation Agent shall, as soon as practicable, notify the Fiscal Agent, of any determination made by it pursuant to this Debt Security Condition 5 and the action proposed to be taken in relation thereto and the Fiscal Agent, shall make available for inspection by Securityholders copies of any such determinations.

6. Futures Price Valuation

If "Futures Price Valuation" is specified as applicable in the applicable Final Terms the following provisions shall apply to these Debt Security Conditions:

"**Settlement Price**" means, in relation to each Security, an amount equal to the Daily Settlement Price of the relevant Current Exchange-traded Contract as determined by the Calculation Agent on (i) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date.

For the purposes of determining whether a day is a Scheduled Trading Day where Futures Price Valuation applies, "Scheduled Trading Day" will be deemed to mean a day on which the Daily Settlement Price of the relevant Current Exchange-traded Contract is scheduled to be published by the relevant Futures or Options Exchange.

If Futures Price Valuation applies the Disrupted Day provisions in the Security Conditions and/or these Debt Security Conditions will not apply in relation to any Current Exchange-traded Contract.

For these purposes:

"**Current Exchange-traded Contract**" means (a) if the Securities are not Rolling Futures Contract Securities, the Exchange-traded Contract and (b) if the Securities are Rolling Futures Contract Securities, the futures contract determined pursuant to Debt Security Condition 7 (*Rolling Futures Contract Securities*) below.

"**Daily Settlement Price**" means the daily settlement price (howsoever described under the rules of the relevant Futures or Options Exchange or its clearing house) of the relevant Exchange-traded Contract published by the relevant Futures or Options Exchange or its clearing house and as determined by the Calculation Agent.

"**Exchange-traded Contract**" means the futures or options contract(s) specified as such in the applicable Final Terms, in each case, identified by reference to (a) the Synthetic Debt Instrument to which it relates, (b) the Futures or Options Exchange on which each such contract is traded and (c)(i) if the Securities are not Rolling Futures Contract Securities, the delivery or expiry month of such contract or (ii) if the Securities are Rolling Futures Contract Securities, the specified period of each such contract and the Futures Rollover Date.

"**Futures or Options Exchange**" means the relevant exchange specified in the description of the Exchange-traded Contract in the applicable Final Terms or any successor to such exchange.

"**Futures Rollover Date**" means either:

(a) the date specified as such in the applicable Final Terms; or

(b) the date selected by the Calculation Agent acting in good faith and in a commercially reasonable manner within the period ("**Futures Rollover Period**") specified in the applicable Final Terms.

"**Non-Commencement or Discontinuance of an Exchange-traded Contract**" means there is no Daily Settlement Price as a result of the fact that trading in the Exchange-traded Contract never commences or is permanently discontinued at any time on or prior to the Valuation Date, Averaging Date or other date for valuation or observation or other relevant date, as the case may be, of the relevant Current Exchange-traded Contract.

Debt Security Condition 3 (*Market Disruption*), Debt Security Condition 4 (*Correction of Debt Instrument Price*) and Debt Security Condition 5 (*Redemption or Cancellation of a Debt Instrument*) will not apply if Futures Price Valuation applies.

If Futures Price Valuation applies, references in the Security Conditions, Formulas Conditions and OET Certificate Conditions to a "Debt Instrument" or "Debt Instruments" are deemed to be references to a Current Exchange-traded Contract or "Current Exchange-traded Contracts", as applicable.

7. Rolling Futures Contract Securities

If the applicable Final Terms specify that the Securities are "Rolling Futures Contract Securities", the Securities will be valued by reference to futures contracts relating to the Synthetic Debt Instrument that have delivery or expiry months that do not correspond with the term of the Securities. In such case, on or prior to the Issue Date, the Calculation Agent will select an Exchange-traded Contract and for each following day until the Futures Rollover Date such futures contract will be the Current Exchange-traded Contract. On each Futures Rollover Date the Calculation Agent will select another Exchange-traded

Contract and such contract shall be the Current Exchange-traded Contract until the next occurring Futures Rollover Date. Notwithstanding the provisions of Debt Security Condition 8 (*Adjustments to an Exchange-traded Contract*) or Debt Security Condition 9 (*Non-Commencement or Discontinuance of an Exchange-traded Contract*) if on a Futures Rollover Date a Non-Commencement or Discontinuance of an Exchange-traded Contract occurs and it is impossible or materially impracticable for the Calculation Agent to select an Exchange-traded Contract and/or at such time hedge the Issuer's obligations in respect of the Securities then:

(a) unless Delayed Settlement on Occurrence of a Non-Commencement or Discontinuance of an Exchange-traded Contract is specified as being applicable in the applicable Final Terms, the Issuer may settle the Securities by giving notice to Securityholders in accordance with Security Condition 8 (*Notices*). If the Securities are so settled the Issuer will pay an amount to each Securityholder in respect of each Security, being settled equal to the fair market value of such Security taking into account the Non-Commencement or Discontinuance of an Exchange-traded Contract, less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner. Payments will be made in such manner as shall be notified to the Securityholders in accordance with Security Condition 8 (*Notices*); or

(b) if Delayed Settlement on Occurrence of a Non-Commencement or Discontinuance of an Exchange-traded Contract is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Non-Commencement or Discontinuance of an Exchange-traded Contract less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Contract Adjustment Amount**") as soon as practicable following the occurrence of the Non-Commencement or Discontinuance of an Exchange-traded Contract (the "**Calculated Contract Adjustment Amount Determination Date**") and on the Settlement Date shall settle each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Contract Adjustment Amount plus interest accrued from and including the Calculated Contract Adjustment Amount Determination Date to but excluding the Settlement Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Protected Amount (specified in the applicable Final Terms).

8. Adjustments to an Exchange-traded Contract

In the event that the terms of an Exchange-traded Contract are changed or modified by the Futures or Options Exchange, the Calculation Agent shall make the appropriate adjustment, if any, to any of the Conditions and/or the applicable Final Terms to account for such change or modification.

9. Non-Commencement or Discontinuance of an Exchange-traded Contract

Where there is a Non-Commencement or Discontinuance of an Exchange-traded Contract, the Issuer may take the action described in (a) below or require the Calculation Agent to take the action described in (b) below:

(a) (i) unless Delayed Settlement on Occurrence of a Non-Commencement or Discontinuance of an Exchange-traded Contract is specified as being applicable in the applicable Final Terms, the Issuer may settle the Securities by giving notice to Securityholders in accordance with Security Condition 8 (*Notices*). If the Securities are so settled the Issuer will pay an amount to each Securityholder in respect of each Security, being settled equal to the fair market value of such Security taking into account the Non-Commencement or Discontinuance of an Exchange-traded Contract, less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner. Payments will be made in such manner as shall be notified to the Securityholders in accordance with Security Condition 8 (*Notices*); or

(ii) if Delayed Settlement on Occurrence of a Non-Commencement or Discontinuance of an Exchange-traded Contract is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Non-Commencement or Discontinuance of an Exchange-traded Contract less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Contract Adjustment Amount**") as soon as practicable following the Non-Commencement or Discontinuance of an Exchange-traded Contract (the "**Calculated Contract Adjustment Amount Determination Date**") and on the Settlement Date shall settle each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Contract Adjustment Amount plus interest accrued from and including the Calculated Contract Adjustment Amount Determination Date to but excluding the Settlement Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Protected Amount (specified in the applicable Final Terms); or

(b) (i) replace the relevant Exchange-traded Contract affected by the Non-Commencement or Discontinuance of an Exchange-traded Contract (the "**Affected Exchange-traded Contract**") with a substitute Exchange-traded Contract (the "**Substitute Exchange-traded Contract**") which, in the determination of the Calculation Agent acting in good faith and in a commercially reasonable manner, has similar contract specifications to those of the Affected Exchange-traded Contract and (ii) make such adjustments to adjust such terms of the Securities

as it determines acting in good faith and in a commercially reasonable manner to be appropriate to preserve the economic position of the Securityholders prior to such replacement. Such replacement will be deemed to be effective as of the date selected by the Calculation Agent, acting in good faith and in a commercially reasonable manner, and specified in the notice referred to below. The Substitute Exchange-traded Contract will be deemed to be an "**Exchange-traded Contract**" for the purposes of the Securities.

Notwithstanding the foregoing, in the case of Italian Listed Securities the Calculation Agent will adjust any relevant terms of the Securities as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Securities.

The Calculation Agent shall, as soon as practicable, notify the Fiscal Agent, of any determination made by it pursuant to this Debt Security Condition 9 and the action proposed to be taken in relation thereto and the Fiscal Agent shall make available for inspection by Securityholders copies of any such determinations.

10. Correction of the Daily Settlement Price

With the exception of any corrections published after the day which is three Business Days prior to the due date for any payment under the Securities, if the Daily Settlement Price published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities is subsequently corrected and the correction is published by the relevant Futures or Options Exchange, within the number of days equal to the Daily Settlement Price Correction Period of the original publication, the Daily Settlement Price to be used shall be the Daily Settlement Price as so corrected. Corrections published after the day which is three Business Days prior to a due date for payment under the Securities will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.

11. Definitions

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

"**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.

"**Daily Settlement Price Correction Period**" means the period specified as such in the applicable Final Terms or if none, one Settlement Cycle.

"**Debt Instrument Correction Period**" means the period specified as such in the applicable Final Terms or if none, one Settlement Cycle.

"**Debt Instrument Issuer**" means, in respect of a Debt Instrument, the issuer of such Debt Instrument.

"**Disrupted Day**" means any Scheduled Trading Day on which a Market Disruption Event has occurred.

"**Protected Amount**" means the amount specified as such in the applicable Final Terms.

"**Reference Price**" means, in respect of a Debt Instrument, the bid price, mid price, offer price, bid yield, mid yield or offer yield specified as such for such Debt Instrument in the applicable Final Terms.

"**Scheduled Trading Day**" means an Exchange Business Day.

"**Settlement Cycle**" means, in respect of a Debt Security or Exchange-traded Contract, the period of Clearance System Days following a trade in such security or contract, as the case may be, on the relevant exchange in which settlement will customarily occur according to the rules of such exchange.

ANNEX 6

ADDITIONAL TERMS AND CONDITIONS FOR COMMODITY SECURITIES

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Securities specified in the applicable Final Terms as Commodity Securities shall comprise the terms and conditions of Securities (the "**Security Conditions**") and the additional Terms and Conditions for Commodity Securities set out below (the "**Commodity Security Conditions**"), in each case together with any other additional terms and conditions specified in the applicable Final Terms and subject to completion in the applicable Final Terms. In the event of any inconsistency between (i) the Security Conditions and (ii) the Commodity Security Conditions, the Commodity Security Conditions shall prevail.

1. Definitions

"**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 and/or Commodity Indices;

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

"**Commodity Business Day**" means:

(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 of the Basket Components is scheduled to be published or announced in accordance with (i) and (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 applicable 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 based upon the price at which the Issuer 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 any 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 the Securities are not Rolling Futures Contract Securities:

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

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

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

(b) if the Securities are Rolling Futures Contract Securities, the delivery date for a futures contract selected by the Calculation Agent acting in good faith and in a commercially reasonable manner on the Futures Rollover Date or if none the Issue Date.

"**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 Security Condition 3 (*Consequences of a Market Disruption Event and Disruption Fallbacks).*

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

"**Final Pricing Date**" or "**Final Remuneration Pricing Date**" means the date specified as such in the applicable Final Terms. References in these Conditions to "Final Pricing Date" shall be deemed to apply *mutatis mutandis* in respect of any "Final Remuneration Pricing Date";

"**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 referred to in that Commodity Reference Price;

"**Futures Rollover Date**" means either:

(a) the date specified as such in the applicable Final Terms; or

(b) the date selected by the Calculation Agent acting in good faith and in a commercially reasonable manner within the period ("**Futures Rollover Period**") specified in the applicable Final Terms.

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

(a) 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

(b) 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 Remuneration Pricing Date**" means the date specified as such in the applicable Final Terms. References in these Conditions to "Initial Pricing Date" shall be deemed to apply *mutatis mutandis* in respect of any "Initial Remuneration Pricing Date";

"**Intraday Price**" means, in respect of a Commodity, Commodity Index or Index Component and any time on a Pricing Date, the Relevant Price of such Commodity, Commodity Index or Index Component at such time on such day, as determined by the Calculation Agent, subject as provided in Commodity Security Condition 3 (*Consequences of a Market Disruption Event and Disruption Fallbacks)* and, if applicable, Commodity Security Condition 4 (*Adjustments to a Commodity Index).*

"**Limit Price Event**" means that the settlement price of any Commodity or Index Component has increased or decreased from the previous day's published settlement price by an amount equal to the maximum amount permitted under the applicable exchange rules for such Commodity or Index Component.

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

"**Material Change in Formula**" means the occurrence since the Trade Date of a material change in the formula for or the method of calculating the relevant Commodity Reference Price 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 "**Remuneration 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 Settlement 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 Commodity Disrupted Day, in which case, the relevant Pricing Date or Remuneration 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 Remuneration Pricing Date, as the case may be, is a Commodity Disrupted Day. In that case, (A) the last such consecutive Commodity Business Day shall be deemed to be the Pricing Date or Remuneration Pricing Date, as the case may be, notwithstanding the fact that such day is a Commodity Disrupted Day, and (B) the Calculation Agent shall take action in accordance with the provisions of Commodity Security Condition 3 (*Consequence of a Market Disruption Event and Disruption Fallbacks)*. References in these Conditions to "Pricing Date" shall be deemed to apply *mutatis mutandis* in respect of any "Remuneration 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 Security Conditions and the applicable Final Terms;

"**Scheduled Pricing Date**" or "**Scheduled Remuneration Pricing Date**" means any original date that, but for the occurrence of an event causing a Market Disruption Event, would have been a Pricing Date. References in these Conditions to "Scheduled Pricing Date" shall be deemed to apply *mutatis mutandis* in respect of any "Scheduled Remuneration Pricing Date";

"**Scheduled Trading Day**" means, if the Securities are Hybrid Securities and Hybrid Business Day is specified as applicable in the applicable Final Terms, for the purpose of determining whether a day is a Hybrid Business Day, a Commodity Business Day;

"**Settlement Price**" means, in relation to each Security, in respect of a single Commodity, the Relevant Price, or, in the case of a Basket of Commodities, the sum of the values calculated in respect of each Basket Component as the Relevant Price of such Basket Component multiplied by the relevant Weighting;

"**Specified Maximum Days of Disruption**" means five (5) 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, (A) the closing or (B) 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; (o) the arithmetic average of bid and offer prices at 5.30pm (CET time) 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 or 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:

(i) all trading in the Futures Contract, Commodity or Index Component, as the case may be, is suspended for the entire Pricing Date; or

(ii) 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, as the case may be, on such day is at the upper or lower limit of that range.

2. Market Disruption

"**Market Disruption Event**" means, in respect of a relevant Commodity or Commodity Index and as determined by the Calculation Agent, the occurrence or existence of:

(a) in the case of all Commodities and each Commodity Index, a Price Source Disruption, Trading Disruption, Disappearance of Commodity Reference Price, Limit Price Event; and in addition

(b) in the case of each Commodity Index and all Commodities other than Gold, Silver, Platinum or Palladium, Material Change in Formula, Material Change in Content and/or Tax Disruption; and in addition

(c) in the case of a Commodity Index, an Index Component Disruption Event.

The Calculation Agent shall give notice as soon as practicable to Securityholders, in accordance with Security Condition 8 (*Notices*) of the occurrence of a Market Disruption Event and the action proposed to be taken in relation thereto.

3. Consequences of a Market Disruption Event and Disruption Fallbacks

Upon a Market Disruption Event occurring or continuing on any Pricing Date (or, if different, the day on which prices for that Pricing Date would, in the ordinary course, be published by the Price Source), the Calculation Agent may, acting in good faith and in a commercially reasonable manner, take the action described in (a), (b) or (c) below:

(a) the Calculation Agent shall determine if such event has a material effect on the Securities and, if so shall calculate the relevant Remuneration Amount and/or Cash Settlement Amount and/or make any other relevant calculation using, in lieu of a published price or level for that

Commodity or Commodity Index, as the case may be, the price or level for that Commodity or Commodity Index as determined by the Calculation Agent using the Commodity Fallback Value; or

(b) the Calculation Agent may substitute the relevant Commodity, Commodity Reference Price or Index Component with a Commodity, Commodity Reference Price or Index Component, as the case may be, selected by it in accordance with the criteria set out below (each, a "**Substitute Commodity**", "**Substitute Commodity Reference Price**" or a "**Substitute Index Component**") for each Commodity, Commodity Reference Price or Index Component, as the case may be, (each, an "**Affected Commodity**", "**Affected Commodity Reference Price"** or "**Affected Index Component**", as the case may be), which is affected by the Market Disruption Event and the Substitute Commodity, Substitute Commodity Reference Price or Substitute Index Component, as the case may be, will be deemed to be a "**Commodity**", "**Commodity Reference Price**" or an "**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 these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner 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 Commodity, the Commodity Reference Price or the Index Component, as the case may be, the initial price or level of each Substitute Commodity, Substitute Commodity Reference Price or Substitute Index Component, as the case may be, will be determined by the Calculation Agent acting in good faith and in a commercially reasonable manner.

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 Commodity Reference Price, the Substitute Commodity Reference Price shall be a benchmark, price or quotation selected by the Calculation Agent, acting in good faith and a commercially reasonable manner and which in its determination is or will be used by market participants as a substitute for the Affected Commodity Reference Price.

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**") acting in good faith and in a commercially reasonable manner which may, but need not, be the relevant date of the Market Disruption Event. Such substitution will be notified to the Securityholders as soon as practicable after the Substitution Date in accordance with Security Condition 8 (*Notices*); or

(c) (i) unless Highest Value, Market Value or Monetisation Option (with reference only to Certificates) are specified in the applicable Final Terms, the Issuer shall settle all but not some only of the Securities, each Security being settled by payment of an amount equal to the fair market value of such Security less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, payment being made in such manner as shall be notified to the Securityholders in accordance with Security Condition 8 (*Notices*);

(ii) if Highest Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityholder an amount in respect of each Security held by such Securityholder calculated and paid on such date determined, in accordance with Security Condition 20(a);

(iii) if Market Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityholder an amount in respect of each Security held by such Securityholder calculated and paid on such date determined, in accordance with Security Condition 20(b); or

(iv) with reference only to Certificates, if Monetisation Option is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityholder an amount in respect of each Security held by such Securityholder calculated and paid on such date determined, in accordance with Security Condition 20(c); or

(v) if the Calculation Agent determines that such Market Disruption Event constitutes a *force majeure*, and if Commodity Security Condition 3(c)(v) is specified in the applicable Final Terms, the Issuer will on giving notice to Securityholder in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityholder an amount in respect of each Security held by such Securityholder, which amount shall be equal to the fair market value of a Security taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early settle the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Securityholders on the date notified to the Securityholders in the notice of early settlement.

4. Adjustments to a Commodity Index

(a) 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.

(b) 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 Remuneration 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, Remuneration 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) (i) unless Highest Value, Market Value or Monetisation Option are specified as applicable in the applicable Final Terms, the Issuer may settle the Securities by giving notice to Securityholders in accordance with Security Condition 8 (*Notices*). If the Securities are so settled, the Issuer will pay an amount to each Securityholder in respect of each Security, being settled at an amount equal to the fair market value of a Security taking into account the Commodity Index Adjustment Event, less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, payment being made in such manner as shall be notified to the Securityholders in accordance with Security Condition 8 (*Notices*);

(ii) if Highest Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityholder

an amount in respect of each Security held by such Securityholder calculated and paid on such date determined, in accordance with Security Condition 20(a);

(iii) if Market Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityholder an amount in respect of each Security held by such Securityholder calculated and paid on such date determined, in accordance with Security Condition 20(b); or

(iv) if Monetisation Option is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityholder an amount in respect of each Security held by such Securityholder calculated and paid on such date determined, in accordance with Security Condition 20(c); or

(v) if the Calculation Agent determines that such Commodity Index Adjustment Event constitutes a *force majeure*, and if Commodity Security Condition 4(b)(v) is specified in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityholder an amount in respect of each Security held by such Securityholder, which amount shall be equal to the fair market value of a Security taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early settle the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Securityholders on the date notified to the Securityholders in the notice of early settlement.

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

5. Correction of Commodity Reference Price

With the exception of any corrections published after the day which is three Commodity Business Days prior to the due date for any payment under the Securities, 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 a due date for payment under the Securities will be disregarded by the Calculation Agent for the purposes of determining the relevant amount.

6. Rolling Futures Contract Securities

If the applicable Final Terms specify that the Securities are "Rolling Futures Contract Securities", the Commodity Reference Price in respect of the Securities will be valued by reference to rolling futures contracts each of which have delivery months that do not correspond with the term of the Securities. In such case, on or prior to the Issue Date, the Calculation Agent will select the relevant Futures Contract and for each following day until the Futures Rollover Date such futures contract will be the Futures Contract for the purposes of the Commodity Reference Price. On each Futures Rollover Date, the Calculation Agent will select another Futures Contract and such contract shall be the Futures Contract for the purposes of the Commodity Reference Price until the next occurring Futures Rollover Date. If on a Futures Rollover Date a Market Disruption Event or a Commodity Index Adjustment Event occurs and it is impossible or materially impracticable for the Calculation Agent to select a Futures Contract and/or at such time hedge the Issuer's obligations in respect of the Securities then the provisions of Commodity Security Condition 3 (*Consequence of a Market Disruption Event and Disruption Fallbacks)* and Commodity Security Condition 4 (*Adjustments to a Commodity Index*), as applicable, shall apply to the Securities.

ANNEX 7

ADDITIONAL TERMS AND CONDITIONS FOR INFLATION INDEX SECURITIES

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Securities specified in the applicable Final Terms as Inflation Index Securities shall comprise the terms and conditions of Securities (the "**Security Conditions**") and the additional Terms and Conditions for Inflation Index Securities set out below (the "**Inflation Index Security Conditions**"), in each case together with any other additional terms and conditions specified in the applicable Final Terms and subject to completion in the applicable Final Terms. In the event of any inconsistency between (i) the Security Conditions and (ii) the Inflation Index Security Conditions, the Inflation Index Security Conditions shall prevail.

1. Definitions

"**Cut-Off Date**" means, in respect of a Valuation Date, five Business Days prior to such Valuation Date;

"**Delayed Index Level Event**" means, in respect of any Valuation Date, that the Index Sponsor fails to publish or announce the Relevant Level;

"**Fallback Bond**" means a bond selected by the Calculation Agent and issued by the government of the country to whose level of inflation the Inflation Index relates and which pays a redemption amount which is calculated by reference to the Inflation Index, with a maturity date which falls on (a) the same day as the Settlement Date, (b) the next longest maturity after the Settlement Date if there is no such bond maturing on the Settlement Date or (c) the next shortest maturity before the Settlement Date, if no bond defined in (a) or (b) is selected by the Calculation Agent. If the Inflation 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 Cancellation**" means a level for the Inflation Index has not been published or announced for two consecutive months and/or the Index Sponsor cancels the Inflation Index and/or the Index Sponsor announces that it will no longer continue to publish or announce the Inflation Index and no Successor Index exists;

"**Index Modification**" means, in relation to an Inflation Index, 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 Inflation Index or in any other way materially modifies the Inflation Index;

"**Index Sponsor**" means the entity that publishes or announces (directly or through an agent) the level of the Inflation Index which as of the Issue Date of the Securities is the index sponsor set out in the applicable Final Terms;

"**Inflation Index**" or "**Inflation Indices**" means the index or indices specified in the relevant Final Terms and related expressions shall be construed accordingly;

"**Rebased Index**" has the meaning given to it under Inflation Index Security Condition 4 below (*Adjustments*);

"**Reference Month**" means the calendar month specified in the applicable Final Terms for which the level of the Inflation 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 Reference Level was reported;

"**Related Bond**" means the bond specified as such in the relevant 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 Settlement Date 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 relevant Final Terms, at any time prior to the Settlement Date, (a) the Related Bond is redeemed, repurchased or cancelled, (b) the Related Bond becomes repayable prior to its stated date of maturity for whatever reason, or (c) 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**" means, in respect of any Valuation Date, the level of the Inflation Index, in respect of any Reference Month which is to be utilised in any calculation or determination to be made by the Issuer in respect of such Valuation Date at any time on or prior to the Cut-Off Date;

"**Settlement Price**" means, unless otherwise stated in the applicable Final Terms, in relation to each Security the Relevant Level;

"**Successor Inflation Index**" has the meaning given to it in Inflation Index Security Condition 3 below (*Successor Inflation Index) and*

"**Substitute Inflation Index Level**" means, in respect of a Delayed Index Level Event, the Index Level determined by the Issuer in accordance with Inflation Index Security Condition 2 below (*Delay in Publication)*.

"**Valuation Date**" means the Remuneration Valuation Date(s) and/or the Settlement Valuation Date specified in the applicable Final Terms;

2. Delay in Publication

2.1 If the Calculation Agent determines that a Delayed Index Level Event in respect of an Inflation 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 and/or the Issuer with respect to such Valuation Date (the "**Substitute Inflation Index Level**") shall be determined by the Calculation Agent (subject to Inflation Index Security Condition 4.2 below (*Substitute Inflation Index Level)* as follows:

(a) if Related Bond is specified as applicable in the relevant Final Terms, the Calculation Agent shall determine the Substitute Inflation Index Level by reference to the corresponding index level determined under the terms and conditions of the Related Bond; or

(b) if (i) Related Bond is specified as not applicable in the relevant Final Terms, or (ii) the Calculation Agent is not able to determine a Substitute Inflation Index Level under (a) above, the Calculation Agent shall determine the Substitute Inflation Index Level by reference to the following formula:

Substitute Inflation Index Level = Base Level × (Latest Level/Reference Level);

where:

"**Base Level**" means the level of the Inflation 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 Inflation Index Level is being determined;

"**Latest Level**" means the level of the Inflation Index (excluding any "flash" estimates) published or announced by the Index Sponsor prior to the month in respect of which the Substitute Inflation Index Level is being determined; and

"**Reference Level**" means the level of the Inflation 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 Issuer shall promptly give notice to the Securityholders in accordance with Security Condition 8 (*Notices*) of any Substitute Inflation 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 Inflation Index Level so determined pursuant to this Inflation Index Security Condition 2 will be the definitive level for that Reference Month.

3. Successor Inflation Index

If the Calculation Agent determines that the level of an Inflation 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 Inflation Index and/or the Index Sponsor cancels the Inflation Index, then the Calculation Agent shall determine a successor index (a "**Successor Inflation Index**") (in lieu of any previously applicable Index) for the purposes of the Securities as follows:

(a) if Related Bond is specified as applicable in the relevant Final Terms, the Calculation Agent shall determine a "Successor Inflation Index" by reference to the corresponding successor index determined under the terms and conditions of the Related Bond;

(b) if (i) Related Bond is specified as not applicable in the applicable Final Terms or (ii) 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 Inflation Index but that it will be superseded by a replacement Inflation Index specified by the Index Sponsor, and the Calculation Agent determines that such replacement Inflation Index is calculated using the same or a substantially similar formula or method of calculation as used in the calculation of the Inflation Index, such replacement index shall be designated a "Successor Inflation Index";

(c) if no Successor Inflation Index has been deemed under (a) or (b) the Calculation Agent shall ask five leading independent dealers to state what the replacement index for the Inflation 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 Inflation Index"; if three responses are received, and two or more leading independent dealers state the same index, such index will be deemed the "Successor Inflation Index"; if fewer than three responses are received by the Cut-Off Date or if each of the responses received state different indices the Calculation Agent will determine an appropriate alternative index, and such index will be deemed a "Successor Inflation Index"; or

(d) 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 Inflation Index shall be deemed to replace the Index for the purposes of the Inflation Index Securities. Notice of the determination of a Successor Inflation Index, the effective date of the Successor Inflation

Index or the occurrence of an Index Cancellation will be given to Securityholders of the Inflation Index Securities by the Issuer in accordance with Security Condition 8 (*Notices*).

4. Adjustments

4.1 **Successor Inflation Index**

If a Successor Inflation Index is determined in accordance with Inflation Index Security Condition 3 above (*Successor Inflation Index*), the Calculation Agent may make any adjustment or adjustments (without limitation) to the final Cash Settlement Amount payable under the Securities (if any) and/or any other relevant term of the Securities as the Calculation Agent deems necessary acting in good faith and in a commercially reasonable manner. The Issuer shall give notice to the Securityholders of any such adjustment in accordance with Security Condition 8 (*Notices*).

4.2 **Substitute Inflation Index Level**

If the Calculation Agent determines a Substitute Inflation Index Level in accordance with Inflation Index Security Condition 2 (*Delay in Publication*) above, the Calculation Agent may make any adjustment or adjustments (without limitation) to (a) the Substitute Inflation Index Level determined in accordance with Inflation Index Security Condition 2 (*Delay in Publication)* above and/or (b) the Remuneration Amount and/or Cash Settlement Amount payable under the Securities (if any) and/or any other relevant term of the Securities, in each case, as the Calculation Agent deems necessary acting in good faith and in a commercially reasonable manner, provided that if Inflation Index Level Adjustment is specified as applicable in the applicable Final Terms, the Calculation Agent will only be permitted to make any such adjustment in accordance with this Inflation Index Security Condition 4.2 if the Calculation Agent determines that the delay in publication was not attributable to the Issuer, but substantially, alters the economics of the Securities compared to the economics as of the Issue Date. The Issuer shall give notice to the Securityholders of any such adjustment in accordance with Security Condition 8 (*Notices*).

4.3 **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 Index Security Condition 4.6 below *(Index Modification)*, 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 Securityholders of any valid revision in accordance with Security Condition 8 (*Notices*).

(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 relevant Remuneration Amount and/or the Cash Settlement Amount payable under the Securities (if any) and/or any other relevant term of the Securities as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner 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 Securityholders of any such adjustment and/or amount in accordance with Security Condition 8 (*Notices*).

(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 Inflation Index Level was determined, the Calculation Agent may either (i) determine that such Relevant Level shall not be used in any calculation or determination under the Inflation Index Securities and that the Substitute Inflation Index Level shall be deemed to be the definitive Relevant Level for the relevant Reference Month, or (ii) to make any adjustment to any relevant Remuneration Amount and/or the Cash Settlement Amount payable under the Securities (if any) 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 Securityholders of any determination in respect of (i) or (ii), together with any adjustment or amount in respect thereof, in accordance with Security Condition 8 (*Notices*).

(d) Notwithstanding the foregoing, if Inflation Index Level Adjustment is specified as applicable in the applicable Final Terms, the Calculation Agent will only be permitted to make any such adjustment in accordance with this Inflation Index Security Condition 4.3 if the Calculation Agent determines that the delay in publication was not attributable to the Issuer, but substantially, alters the economics of the Securities compared to the economics as of the Issue Date

4.4 **Currency**

If the Calculation Agent determines that any event occurs affecting the Specified Currency or Settlement Currency, as applicable, (whether relating to its convertibility into other currencies or otherwise) which the Calculation Agent determines necessitates an adjustment or adjustments to the Cash Settlement Amount 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 any relevant Cash Settlement Amount and/or any Remuneration Amount and/or any other relevant term of the Securities as the Calculation Agent deems necessary acting in good faith and in a commercially reasonable manner, provided that if Currency Adjustment is specified as applicable in the applicable Final Terms, the Calculation Agent will only be permitted to make any such adjustment if the Calculation Agent determines that the event affecting the Specified Currency or the Settlement Currency was not attributable to the Issuer, but substantially alters the economics of the Securities

compared to the economics as of the Issue Date. The Issuer shall give notice to the Securityholders of any such adjustment in accordance with Security Condition 8 (*Notices*).

4.5 **Rebasing**

If the Calculation Agent determines that the Inflation Index has been or will be rebased at any time, the Inflation 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 relevant 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 relevant 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 Inflation Index before it was rebased, and in each case the Calculation Agent may make any adjustment(s) to any relevant Remuneration Amount and/or the Cash Settlement Amount payable under the Securities (if any) and/or any other term of the Securities as the Calculation Agent may deem necessary acting in good faith and in a commercially reasonable manner. If the Calculation Agent determines that neither (a) nor (b) above would produce a commercially reasonable result, the Issuer may settle each Security on a date notified by the Issuer to Securityholders in accordance with Security Condition 8 (*Notices*), in which event the Issuer will pay to each Securityholder in respect of each such Security, an amount equal to the fair market value of a Security, as determined by the Calculation Agent as at the date of settlement taking into account the rebasing, less, unless or if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer of unwinding or amending any related underlying hedging arrangements. Notice of any adjustment, settlement of the Securities or determination pursuant to this paragraph shall be given to Securityholders in accordance with Security Condition 8 (*Notices*).

4.6 **Index Modification**

(a) 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 (i) if Related Bond is specified as applicable in the relevant Final Terms, make any adjustments to the relevant Inflation Index, any Relevant Level and/or any other relevant term of the Securities (including, without limitation, the Cash Settlement Amount payable under the Securities), consistent with any adjustments made to the Related Bond as the Calculation Agent deems necessary acting in good faith and in a commercially reasonable manner, or (ii) if Related Bond is specified as not applicable in the applicable Final Terms or a Related Bond Redemption Event has occurred, make only those adjustments to the relevant Inflation Index, any Relevant Level and/or any other term of the Inflation Index Securities (including, without limitation, any relevant Remuneration Amount and/or the Cash Settlement Amount payable under the Securities), as the Calculation Agent deems necessary acting in good faith and in a commercially reasonable

manner for the modified Index to continue as the relevant Inflation Index and to account for the economic effect of the Index Modification.

(b) 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 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 Remuneration Payment Date and/or Settlement Date, such that the provisions of paragraph (a) above will apply, or, 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 paragraph (a) above.

4.7 **Index Cancellation**

If the Calculation Agent determines that an Index Cancellation has occurred, the Issuer may:

(a) elect for the Calculation Agent to calculate the relevant Remuneration Amount and/or relevant level using, in lieu of a published level for that Inflation Index, the level for that Inflation Index, as determined by the Calculation Agent in accordance with the formula for and method of calculating that Inflation Index last in effect prior to cancellation;

(b) (i) unless Highest Value, Market Value or Monetisation Option are specified as applicable in the applicable Final Terms, settle all but not some only of the Securities on the date notified by the Issuer to Securityholders in accordance with Security Condition 8 (*Notices*) in which event the Issuer will pay to each Securityholder in respect of such Security held by him an amount equal to fair market value of a Security as determined by the Calculation Agent as at the date of settlement taking into account the Index Cancellation, less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer of unwinding or amending any related underlying hedging arrangements, payment being made in such manner as shall be notified to Securityholders in accordance with Security Condition 8 (*Notices*);

(ii) if Highest Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityholder an amount in respect of each Security held by such Securityholder calculated and paid on such date determined, in accordance with Security Condition 20(a);

(iii) if Market Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityholder

an amount in respect of each Security held by such Securityholder calculated and paid on such date determined, in accordance with Security Condition 20(b); or

(iv) if Monetisation Option is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityholder an amount in respect of each Security held by such Securityholder calculated and paid on such date determined, in accordance with Security Condition 20(c); or

(v) if the Calculation Agent determines that such Index Cancellation constitutes a *force majeure*, and if Inflation Index Security Condition 4.7(b)(v) is specified in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityholder an amount in respect of each Security held by such Securityholder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early settle the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Securityholders on the date notified to the Securityholders in the notice of early settlement.

ANNEX 8

ADDITIONAL TERMS AND CONDITIONS FOR CURRENCY SECURITIES

If specified as applicable in the applicable Final Terms, (the terms and conditions applicable to Securities specified in the applicable Final Terms as Currency Securities shall comprise the terms and conditions of Securities (the "**Security Conditions**") and the additional Terms and Conditions for Currency Securities set out below (the "**Currency Security Conditions**"), in each case together with any other additional terms and conditions specified in the applicable Final Terms and subject to completion in the applicable Final Terms. In the event of any inconsistency between (i) the Security Conditions and (ii) the Currency Security Conditions, the Currency Security Conditions 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 preceding Scheduled Trading Day (if Preceding Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), the immediately succeeding Scheduled Trading Day or, if such Scheduled Trading Day falls in the next calendar month, the immediately preceding Scheduled Trading Day (if Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date) or the immediately succeeding Scheduled Trading Day (if neither Preceding Currency Convention nor Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), in each case, 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;

"**Dual Exchange Rate**" means that any of the Base Currency, Alternative Currency and/or Alternative 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;

"**FX 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 preceding Scheduled Trading Day (if Preceding Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), the immediately succeeding Scheduled Trading Day or, if such Scheduled Trading Day falls in the next calendar month, the immediately preceding Scheduled Trading Day (if Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date) or the immediately succeeding Scheduled Trading Day (if neither Preceding Currency Convention nor Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), in each case, 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;

"**FX Digital Level**" means:

(a) if FX Digital Average Value is specified as applicable in the applicable Final Terms, the arithmetic average of the Settlement Prices for all the FX Averaging Dates;

(b) if Single Resettable Level is specified as applicable in the applicable Final Terms, the Settlement Price on the FX Digital Observation Date plus or minus, as indicated in the applicable Final Terms, the Resettable Adjustment; or

(c) if Multiple Resettable Level is specified as applicable in the applicable Final Terms, in respect of a Resettable Period, the Settlement Price on the FX Digital Observation Date specified for such Resettable Period plus or minus, as indicated in the applicable Final Terms, the Resettable Adjustment;

"**FX Digital Observation Date**" means each date specified as such in the applicable Final Terms or, if any such date is not a Scheduled Trading Day, the immediately preceding Scheduled Trading Day (if Preceding Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), the immediately succeeding Scheduled Trading Day or, if such Scheduled Trading Day falls in the next calendar month, the immediately preceding Scheduled Trading Day (if Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date) or the immediately succeeding Scheduled Trading Day (if neither Preceding Currency Convention nor Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), in each case 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;

"**FX Knock-in Level**" means:

(a) if Knock-in Average Value is specified as applicable in the applicable Final Terms the arithmetic average of the Settlement Prices for all the Knock-in Averaging Dates;

(b) if Single Resettable Knock-in is specified as applicable in the applicable Final Terms, the Settlement Price on the Knock-in Observation Date plus or minus, as indicated in the applicable Final Terms, the Resettable Adjustment; or

(c) if Multiple Resettable Knock-in is specified as applicable in the applicable Final Terms, in respect of a Resettable Knock-in Period, the Settlement Price on the Knock-in Observation Date specified for such Resettable Knock-in Period plus or minus, as indicated in the applicable Final Terms, the Resettable Adjustment;

"**FX Knock-out Level**" means:

(a) if Knock-out Average Value is specified as applicable in the applicable Final Terms the arithmetic average of the Settlement Prices for all the Knock-out Averaging Dates;

(b) if Single Resettable Knock-out is specified as applicable in the applicable Final Terms, the Settlement Price on the Knock-out Observation Date plus or minus, as indicated in the applicable Final Terms, the Resettable Adjustment;

(c) if Multiple Resettable Knock-out is specified as applicable in the applicable Final Terms, in respect of a Resettable Knock-out Period, the Settlement Price on the Knock-out Observation Date specified for such Resettable Knock-out Period plus or minus, as indicated in the applicable Final Terms, the Resettable Adjustment;

"**Illiquidity Disruption**" means the occurrence of any event in respect of any of the Base Currency, Alternative Currency and/or Alternative Currencies whereby it becomes impossible for the Calculation Agent or Issuer to obtain a firm quote for such currency in an amount deemed necessary by the Calculation Agent or Issuer 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);

"**Knock-in 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 preceding Scheduled Trading Day (if Preceding Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), the immediately succeeding Scheduled Trading Day or, if such Scheduled Trading Day falls in the next calendar month, the immediately preceding Scheduled Trading Day (if Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date) or the immediately succeeding Scheduled Trading Day (if neither Preceding Currency Convention nor Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), in each case, 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;

"**Knock-out 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 preceding Scheduled Trading Day (if Preceding Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), the immediately succeeding Scheduled Trading Day or, if such Scheduled Trading Day falls in the next calendar month, the immediately preceding Scheduled Trading Day (if Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date) or the immediately succeeding Scheduled Trading Day (if neither Preceding Currency Convention nor Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), in each case, 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;

"**Knock-in Observation 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 preceding Scheduled Trading Day (if

Preceding Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), the immediately succeeding Scheduled Trading Day or, if such Scheduled Trading Day falls in the next calendar month, the immediately preceding Scheduled Trading Day (if Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date) or the immediately succeeding Scheduled Trading Day (if neither Preceding Currency Convention nor Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), in each case, 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;

"**Knock-out Observation 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 preceding Scheduled Trading Day (if Preceding Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), the immediately succeeding Scheduled Trading Day or, if such Scheduled Trading Day falls in the next calendar month, the immediately preceding Scheduled Trading Day (if Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date) or the immediately succeeding Scheduled Trading Day (if neither Preceding Currency Convention nor Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), in each case, 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;

"**Observation Date**" means each date specified as an Observation Date in the applicable Final Terms or, if any such day is not a Scheduled Trading Day, the immediately preceding Scheduled Trading Day (if Preceding Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), the immediately succeeding Scheduled Trading Day or, if such Scheduled Trading Day falls in the next calendar month, the immediately preceding Scheduled Trading Day (if Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date) or the immediately succeeding Scheduled Trading Day (if neither Preceding Currency Convention nor Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), in each case, 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;

"**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;

"**Protected Amount**" means the amount specified as such in the applicable Final Terms;

"**Resettable Knock-in Period**" means the period specified as such in the applicable Final Terms;

"**Resettable Knock-out Period**" means the period specified as such in the applicable Final Terms;

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

"**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 Alternative Currency or Alternative Currencies;

"**Settlement Price Date**" means each Averaging Date, Strike Day, Strike Date, FX Averaging Dates, FX Digital Observation Date, Knock-in Averaging Date, Knock-out Averaging Date, Knock-in Observation Date, Knock-out Observation 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 preceding Scheduled Trading Day (if Preceding Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), the immediately succeeding Scheduled Trading Day or, if such Scheduled Trading Day falls in the next calendar month, the immediately preceding Scheduled Trading Day (if Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date) or the immediately succeeding Scheduled Trading Day (if neither Preceding Currency Convention nor Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), in each case, 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;

"**Strike Day**" means each date specified as such in the applicable Final Terms or, if any such date is not a Scheduled Trading Day, the immediately preceding Scheduled Trading Day (if Preceding Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), the immediately succeeding Scheduled Trading Day or, if such Scheduled Trading Day falls in the next calendar month, the immediately preceding Scheduled Trading Day (if Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date) or the immediately succeeding Scheduled Trading Day (if neither Preceding Currency Convention nor Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), in each case, 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;

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

"**Valuation Date**" means the Remuneration Valuation Date(s) and/or the Settlement Valuation Date specified in the applicable Final Terms or, if such day is not a Scheduled Trading Day, the immediately preceding Scheduled Trading Day (if Preceding Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), the immediately succeeding Scheduled Trading Day or, if such Scheduled Trading Day falls in the next calendar month, the immediately preceding Scheduled Trading Day (if Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date) or the immediately succeeding Scheduled Trading Day (if neither Preceding Currency Convention nor Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), in each case, 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

The occurrence of any of the following events, in respect of any Base Currency, Alternative Currency and/or Alternative Currencies, shall be a Disruption Event:

(a) Price Source Disruption;

(b) unless specified as not applicable in the applicable Final Terms, Illiquidity Disruption;

(c) Dual Exchange Rate; or

(d) any other event that, in the opinion of the Calculation Agent, is analogous to (a), (b) (if applicable) or (c)

The Calculation Agent shall give notice as soon as practicable to Securityholders in accordance with Security Condition 8 (*Notices*) 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 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 when a Disruption Event occurs or exists on a day that is 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) or (c) below.

(a) if a Settlement Price Date is a Disrupted Day, the Calculation Agent will determine that the relevant 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 Strike Day) unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the originally scheduled Settlement Price Date 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 Settlement Price Date (irrespective of whether that last consecutive Scheduled Trading Day is already a Settlement Price Date) and may determine the Settlement Price by using commercially reasonable efforts to determine a level for the Alternative Currency 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) (i) if any Settlement Price Date is a Disrupted Day but is not the Settlement Valuation Date, and unless any of Delayed Settlement on Occurrence of a Disruption Event Highest Value, Market Value or Monetisation Option are specified as applicable in the applicable Final Terms, the Issuer may settle the Securities by giving notice to Securityholders in accordance with Security Condition 8 (*Notices*). If the Securities are so settled, the Issuer will pay an amount to each Holder in respect of Security being settled at an amount equal to the fair market value of such Security taking into account the Disruption Event, less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, payment being made in such manner as shall be notified to the Securityholders in accordance with Security Condition 8 (*Notices*); or

(ii) if any Settlement Price Date is a Disrupted Day but is not the Settlement Valuation Date, and if Delayed Settlement 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 Security, taking into account the Disruption Event, as the case may be less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, as applicable, the cost to the Issuer and/or its affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Currency Disruption Amount**") as soon as practicable following the occurrence of the Disruption Event (the "**Calculated Currency Disruption Amount Determination**

Date") and on the Settlement Date shall settle each Security 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 Settlement Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Protected Amount (specified in the applicable Final Terms);

(iii) if any Settlement Price Date is a Disrupted Day but is not the Settlement Valuation Date, and if Highest Value is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Security Condition 20(a);

(iv) if any Settlement Price Date is a Disrupted Day but is not the Settlement Valuation Date, and if Market Value is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Security Condition 20(b); or

(v) if any Settlement Price Date is a Disrupted Day but is not the Settlement Valuation Date, and if Monetisation Option is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Security Condition 20(c); or

(vi) if any Settlement Price Date is a Disrupted Day but is not the Settlement Valuation Date, and if the Calculation Agent determines that such Disruption Event constitutes a force majeure, and if Currency Security Condition 3(b)(vi) is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early settle the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early settlement;

(c) Unless Disruption Event Postponement is specified as not applicable in the applicable Final Terms,notwithstanding any provisions in the Conditions to the contrary, postpone any payment

date related to such 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 Settlement Date) 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.

4. Settlement Price

"**Settlement Price**" means, in relation to each Security in respect of an Alternative Currency and a Settlement Price Date, and subject to Currency Security Condition 3 (*Consequences of a Disruption Event)* above, an amount equal to the spot rate of exchange appearing on the Relevant Screen Page at the Valuation Time on such Settlement Price Date, for the exchange of such Alternative Currency into the Base Currency (expressed as the number of units (or part units) of the Alternative 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 Alternative Currency/Base Currency exchange rates (expressed as aforesaid) at the Valuation Time on the relevant Settlement Price Date, of two or more leading dealers (as selected by the Calculation Agent) on a foreign exchange market (as selected by the Calculation Agent), Provided That if the relevant rate of exchange is derived from two or more rates of exchange, the Settlement Price shall be calculated by the Calculation Agent as provided above acting in good faith and in a commercially reasonable manner on the basis of each such rate of exchange.

5. Futures Price Valuation

If "Futures Price Valuation" is specified as applicable in the applicable Final Terms, the following provisions shall apply to these Currency Security Conditions:

"**Settlement Price**" means in relation to each Security an amount equal to the Daily Settlement Price for the relevant Current Exchange-traded Contract, as determined by the Calculation Agent on (i) if Averaging is not specified in the applicable Final Terms, the Valuation Date (as defined in Currency Security Condition 1) or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date (as defined in Currency Security Condition 1). If, in the determination of the Calculation Agent, no such price can be determined, other than as a consequence of the occurrence of a Non-Commencement or Discontinuance of an Exchange-traded Contract, an amount determined by the Calculation Agent acting in good faith and in a commercially reasonable manner as the Daily Settlement Price on such date, having regard to the then prevailing market conditions, the last reported Daily Settlement Price and such other factors as the Calculation Agent determines relevant.

For the purpose of determining whether a day is a Scheduled Trading Day where Futures Price Valuation applies, "Scheduled Trading Day" will be deemed to mean a day on which the Daily Settlement Price of the relevant Current Exchange-traded Contract is scheduled to be published by the relevant Futures or Options Exchange.

If Futures Price Valuation applies, the Disrupted Day provisions in the Security Conditions and/or these Currency Security Conditions will not apply in relation to any Current Exchange-traded Contract.

For these purposes:

"**Current Exchange-traded Contract**" means (a) if the Securities are not Rolling Futures Contract Securities, the Exchange-traded Contract and (b) if the Securities are Rolling Futures Contract Securities, the futures contract determined pursuant to Currency Security Condition 6 (*Rolling Futures Contract Securities*) below.

"**Daily Settlement Price**" means the daily settlement price (howsoever described under the rules of the relevant Futures or Options Exchange or its clearing house) of the relevant Exchange-traded Contract published by the relevant Futures or Options Exchange or its clearing house, as determined by the Calculation Agent.

"**Daily Settlement Price Correction Period**" means the period specified as such in the applicable Final Terms or, if none, one Settlement Cycle.

"**Exchange-traded Contract**" means the futures or options contract(s) specified as such in the applicable Final Terms, in each case, identified by reference to (a) the Alternative Currency and Base Currency (the "**Currency Pair**") to which it relates, (b) the ISIN or any other unique identifier of such contract, (c) the Futures or Options Exchange on which each such contract is traded and (d) (i) if the Securities are not Rolling Futures Contract Securities, the expiry month of such contract or (ii) if the Securities are Rolling Futures Contract Securities, the specified period of each such contract and the Futures Rollover Date.

"**Exchange Business Day**" means any day on which the relevant Futures or Options Exchange is open for trading during its respective regular trading session(s).

"**Futures or Options Exchange**" means the relevant exchange specified in the description of the Exchange-traded Contract in the applicable Final Terms or any successor to such exchange.

"**Futures Rollover Date**" means either:

(a) the date specified as such in the applicable Final Terms; or

(b) the date selected by the Calculation Agent acting in good faith and in a commercially reasonable manner within the period (the "**Futures Rollover Period**") specified in the applicable Final Terms.

"**Non-Commencement or Discontinuance of an Exchange-traded Contract**" means there is no Daily Settlement Price as a result of the fact that trading in the Exchange-traded Contract never commences or is permanently discontinued at any time on or prior to the Valuation Date, Averaging Date or other date for valuation or observation or other relevant date, as the case may be, of the relevant Current Exchange-traded Contract.

"**Protected Amount**" means the amount specified as such in the applicable Final Terms.

"**Settlement Cycle**" means, in respect of an Exchange-traded Contract, the period of Exchange Business Days following a trade in such Exchange-traded Contract on the relevant Futures or Options Exchange in which settlement will customarily occur according to the rules of such Futures or Options Exchange.

Currency Security Condition 2 (*Disruption Events*) and Currency Security Condition 3 (*Consequences of a Disruption Event*) will not apply if Futures Price Valuation applies.

If Futures Price Valuation applies, references to "Alternative Currency" in the definition of "Underlying Reference" in the Security Conditions, Formulas Conditions (except for the definition of of "Underlying Reference" for the purposes of the Fixed Income Payouts and Fixed Income Remuneration Rates) and OET Certificate Conditions is deemed to be a reference to a "Current Exchange-traded Contract".

6. Rolling Futures Contract Securities

If the applicable Final Terms specify that the Securities are "Rolling Futures Contract Securities", the Securities will be valued by reference to futures contracts relating to the Currency Pair that have expiry months that do not correspond with the term of the Securities. In such case, on or prior to the Issue Date, the Calculation Agent will select an Exchange-traded Contract and for each following day until the Futures Rollover Date such futures contract will be the Current Exchange-traded Contract. On each Futures Rollover Date the Calculation Agent will select another Exchange-trade Contract and such contract will be the Current Exchange-traded Contract until the next occurring Futures Rollover Date. Notwithstanding the provisions of Currency Security Condition 7 (*Adjustments to an Exchange-traded Contract*) or Currency Security Condition 8 (*Non-Commencement or Discontinuance of an Exchange-traded Contract*) if on a Futures Rollover Date a Non-Commencement or Discontinuance of an Exchange-traded Contract occurs and it is impossible or materially impracticable for the Calculation Agent to select an Exchange-traded Contract and/or at such time hedge the Issuer's obligations in respect of the Securities then:

(a) unless Delayed Settlement on Occurrence of a Non-Commencement or Discontinuance of an Exchange-traded Contract is specified as being applicable in the applicable Final Terms, the Issuer may settle the Securities by giving notice to Securityholders in accordance with Security Condition 8 (*Notices*). If the Securities are so settled the Issuer will pay an amount to each Securityholder in respect of each Security, being settled equal to the fair market value of such Security taking into account the Non-Commencement or Discontinuance of an Exchange-traded Contract, less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner. Payments will be made in such manner as shall be notified to the Securityholders in accordance with Security Condition 8 (*Notices*); or

(b) if Delayed Settlement on Occurrence of a Non-Commencement or Discontinuance of an Exchange-traded Contract is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Non-Commencement or Discontinuance of an Exchange-traded Contract less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Contract Adjustment Amount**") as soon as practicable following the occurrence of the Non-Commencement or Discontinuance of an Exchange-traded Contract (the "**Calculated Contract Adjustment Amount Determination Date**") and on the Settlement Date shall settle each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Contract Adjustment Amount plus interest accrued from and including the Calculated Contract Adjustment Amount Determination Date to but excluding the Settlement Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Protected Amount.

7. Adjustments to an Exchange-traded Contract

In the event that the terms of an Exchange-traded Contract are changed or modified by the Futures or Options Exchange, the Calculation Agent will make the appropriate adjustment, if any, to any of the Conditions and/or the applicable Final Terms to account for such change or modification.

8. Non-Commencement or Discontinuance of an Exchange-traded Contract

Where there is a Non-Commencement or Discontinuance of an Exchange-traded Contract, the Issuer may take the action described in (a) below or require the Calculation Agent to take the action described in (b) below:

(a) (i) unless Delayed Settlement on Occurrence of a Non-Commencement or Discontinuance of an Exchange-traded Contract is specified as being applicable in the applicable Final Terms, the Issuer may settle the Securities by giving notice to Securityholders in accordance with Security Condition 8 (*Notices*). If the Securities are so settled the Issuer will pay an amount to each Securityholder in respect of each Security, being settled equal to the fair market value of such Security taking into account the Non-Commencement or Discontinuance of an Exchange-traded Contract, less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner. Payments will be made in such manner as shall be notified to the Securityholders in accordance with Security Condition 8 (*Notices*); or

(ii) if Delayed Settlement on Occurrence of a Non-Commencement or Discontinuance of an Exchange-traded Contract is specified as being applicable in the applicable Final

Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Non-Commencement or Discontinuance of an Exchange-traded Contract less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Contract Adjustment Amount**") as soon as practicable following the Non-Commencement or Discontinuance of an Exchange-traded Contract (the "**Calculated Contract Adjustment Amount Determination Date**") and on the Settlement Date shall settle each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Contract Adjustment Amount plus interest accrued from and including the Calculated Contract Adjustment Amount Determination Date to but excluding the Settlement Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Protected Amount; or

(b) (i) replace the relevant Exchange-traded Contract affected by the Non-Commencement or Discontinuance of an Exchange-traded Contract (the "**Affected Exchange-traded Contract**") with a substitute Exchange-traded Contract (the "**Substitute Exchange-traded Contract**") which, in the determination of the Calculation Agent acting in good faith and in a commercially reasonable manner, has similar contract specifications to those of the Affected Exchange-traded Contract and (ii) make such adjustments to adjust the terms of the Securities as it determines acting in good faith and in a commercially reasonable manner to be appropriate to preserve the economic position of the Securityholders prior to such replacement. Such replacement will be deemed to be effective as of the date selected by the Calculation Agent, acting in good faith and in a commercially reasonable manner, and specified in the notice referred to below. The Substitute Exchange-traded Contract will be deemed to be an "**Exchange-traded Contract**" for the purposes of the Securities.

Notwithstanding the foregoing, in the case of Italian Listed Securities the Calculation Agent will adjust any relevant terms of the Securities as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Securities.

The Calculation Agent shall, as soon as practicable, notify the Fiscal Agent of any determination made by it pursuant to this Currency Security Condition 8 and the action proposed to be taken in relation thereto and the Fiscal Agent shall make available for inspection by Securityholders copies of any such determinations.

9. Correction of the Daily Settlement Price

With the exception of any corrections published after the day which is three Business Days prior to the due date for any payment under the Securities, if the Daily Settlement Price published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities is

subsequently corrected and the correction is published by the relevant Futures or Options Exchange, within the number of days equal to the Daily Settlement Price Correction Period of the original publication, the Daily Settlement Price to be used shall be the Daily Settlement Price as so corrected. Corrections published after the day which is three Business Days prior to a due date for payment under the Securities will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.

ANNEX 9

ADDITIONAL TERMS AND CONDITIONS FOR FUND SECURITIES

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Securities specified in the applicable Final Terms as Fund Securities shall comprise the terms and conditions of Securities (the "**Security Conditions**") and the additional Terms and Conditions for Fund Securities set out below (the "**Fund Security Conditions**"), in each case together with any other additional terms and conditions specified in the applicable Final Terms and subject to completion in the applicable Final Terms. In the event of any inconsistency between (i) the Security Conditions and (ii) the Fund Security Conditions, the Fund Security Conditions shall prevail.

1. **Definitions**

"**AUM Level**" has the meaning given to it in the applicable Final Terms;

"**Averaging Date**" means each date specified as an Averaging Date in the applicable Final Terms or, if any such date is not a Fund Business Day, the immediately following Fund Business Day;

"**Basket Trigger Event**" means that an Extraordinary Fund Event occurs in respect of one or more Funds comprising the Fund Basket, as the case may be, 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, as the case may be, equal to or greater than the Basket Trigger Level;

"**Basket Trigger Level**" has the meaning given to it in the applicable Final Terms;

"**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**" is as defined in the applicable Final Terms or, if not so specified, the date falling two calendar years after the originally designated Settlement 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 acting in good faith and in a commercially reasonable manner;

"**Final Calculation Date**" means the date specified as such in the applicable Final Terms;

"**Fund**" means each Mutual Fund;

"**Fund Basket**" means, where the Fund 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 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, as the case may be and (ii) 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 by the Fund (or the Fund Service Provider that generally publishes or reports such value) in respect of such Fund Valuation 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 and (ii) 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 by the Fund (or the Fund Service Provider that generally publishes or reports such value) in respect of such Fund Valuation Date;

"**Fund Business Day (Single Fund Share Basis)**" means with respect to a Fund Share, a date (i) that is a Fund Valuation Date and (ii) 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 by the Fund (or the Fund Service Provider that generally publishes or reports such value) in respect of such Fund Valuation Date;

"**Fund Documents**" means, with respect to any Fund Share, the offering document of the relevant Fund in effect on the Hedging Date 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 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 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;

"**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 Provider**" means the party (being, *inter alios*, the Issuer, the Guarantor (if applicable), the Calculation Agent, an Affiliate or any third party) from time to time who hedges the Issuer's obligations in respect of the Securities 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 Fund Shares, 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 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 or actual investor (as determined by the Calculation Agent in the context of the relevant situation) in a Fund Share which is deemed to have the benefits and obligations, as provided in the relevant Fund Documents, of an investor holding a Fund Share at the relevant time. 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 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 of the Implied Embedded Option Value Determination Date of any scheduled but unpaid payments under the Securities in respect of the period from (and including) the Extraordinary Fund Event Effective Date to (and including) the Settlement Date, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner but, notwithstanding anything to the contrary contained herein, taking into account, without limitation, such factors as the net proceeds actually received from the redemption or sale of any Fund Shares by the Hedge Provider, the volatility of the Fund Shares and any transaction costs;

"**Implied Embedded Option Value Determination Date**" means the date determined by the Calculation Agent to be the earlier of (a) the date on which the Hedge Provider receives redemption proceeds in full in respect of its holding of Fund Shares (which for the avoidance of doubt, may be later than the scheduled Settlement Date) or (b) the Delayed Payment Cut-off Date;

"**Initial Calculation Date**" means the date specified as such in the applicable Final Terms, or if not so specified, the Hedging Date;

"**Maximum Days of Disruption**" means the number of Fund Business Days specified in the applicable Final Terms, or if not so specified, 10 Fund Business Days.

"**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 of "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 a Fund Business Day, (i) the net asset value per Fund Share as of the related Fund Valuation Date, as reported 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 related 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 has violated any leverage restriction that is applicable to, or affecting, such Fund or its assets by operation of any law, any order or judgement of any court or other agency of government applicable to it or any of its assets, 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;

"**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. For the avoidance of doubt the period could be equal to specified number of consecutive or non-consecutive Scheduled Trading Days, as defined in the applicable Final Terms;

"**Non-Principal Protected Termination Amount**" means an amount per Security determined by the sum of:

(i) the Implied Embedded Option Value; and

(ii) if Delayed Settlement 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 a Mutual Fund, 5 calendar days;

"**Observation Date**" means each date specified as an Observation Date in the applicable Final Terms, or if any such date is not a Fund Business Day, the immediately succeeding Fund Business Day;

"**Principal Protected Termination Amount**" means an amount per Security determined as:

(i) if Delayed Settlement on Occurrence of an Extraordinary Fund Event is specified as being applicable in the applicable Final Terms:

A. the greater of:

(1) the Protected Amount; and

(2) the Implied Embedded Option Value; and

B. the Simple Interest.

(ii) if Delayed Settlement on Occurrence of an Extraordinary Fund Event is not specified as being applicable in the applicable Final Terms, the Implied Embedded Option Value;

"**Protected Amount**" means the amount specified as such in the applicable Final Terms;

"**Scheduled Trading Day**" means, if the Securities are Hybrid Securities and Hybrid Business Day is specified as applicable in the applicable Final Terms, for the purpose of determining whether a day is a Hybrid Business Day, a Fund Business Day;

"**Settlement Price**" means, in relation to each Security subject to the provisions of this Annex and as referred to in "Valuation Date" or "Averaging Date" or "Observation Date", as the case may be:

(i) in respect of Fund Securities relating to a single Fund, the relevant NAV per Fund Share; and

(ii) in respect of Fund Securities relating to a Fund Basket, the sum of the values calculated in respect of each Fund Share in the Fund Basket as the NAV per Fund Share of such Fund Share multiplied by the relevant Weighting.

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

"**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 excluding) the later of (i) the Settlement

Date or (ii) the date falling five Business Days after the Implied Embedded Option Value Determination 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-EONIA-Swap Index (if the Settlement Currency is EUR) or USD-Federal Funds-H.15 (if the Settlement Currency is USD);

E. the "Simple Interest Spread" is as specified in the applicable Final Terms, or if not so specified minus 0.125 per cent.;

F. the "Floating Rate Day Count Fraction" is Actual/360;

G. the "Reset Date" is the Implied Embedded Option Value Determination Date and each date falling three calendar months after the previous Reset Date; and

H. "Compounding" is "Inapplicable";

"**Strike Date**" means the Strike Date specified as such in the applicable Final Terms or, if such day is not a Fund Business Day, the immediately succeeding Fund Business Day;

"**Strike Day**" means each date specified as such in the applicable Final Terms or, if such day is not a Fund Business Day, the immediately succeeding Fund Business Day;

"**Strike Period**" means the period specified as such 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 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:

(i) unless Highest Value, Market Value or Monetisation Option are specified in the applicable Final Terms as applicable:

A. the amount specified in the applicable Final Terms;

B. the Principal Protected Termination Amount; or

C. the Non-Principal Protected Termination Amount, in each case, as specified in the applicable Final Terms,

such amount to be payable on the Termination Date; or

(ii) if Highest Value is specified as applicable in the applicable Final Terms, an amount in respect of each Security calculated and paid on such date determined, in accordance with Security Condition 20(a); or

(iii) if Market Value is specified as applicable in the applicable Final Terms, an amount in respect of each Security calculated and paid on such date determined, in accordance with Security Condition 20(b); or

(iv) if Monetisation Option is specified as applicable in the applicable Final Terms, an amount in respect of each Security held by such Securityholder calculated and paid on such date determined, in accordance with Security Condition 20(c);

(v) if the Calculation Agent determines that the relevant Extraordinary Fund Event or combination of Extraordinary Fund Events constitutes a *force majeure*, and if Fund Event Force Majeure is specified as applicable in the applicable Final Terms, an amount in respect of each Security which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early settle the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Securityholders on the date notified to the Securityholders in the notice of early settlement;

"**Termination Date**" means (i) the date determined by the Issuer as provided herein and specified in the notice given to Securityholders in accordance with Fund Security Condition 4.2(c), or (ii) if Delayed Settlement on Occurrence of an Extraordinary Fund Event is specified as being applicable in the applicable Final Terms, the Settlement Date;

"**Trade Date**" has the meaning given to it in the applicable Final Terms.

"**Valuation Date**" means the Remuneration Valuation Date(s) and/or Settlement Valuation Date, as the case may be, specified in the applicable Final Terms or, if such day is not a Fund Business Day, the immediately succeeding Fund Business Day;

2. **Extraordinary Fund Events**

Subject to the provisions of Fund Security 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 the 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 (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

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 the Calculation Agent determines, acting in good faith and in a commercially reasonable manner, 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 determination of the Calculation Agent acting in good faith and a commercially reasonable manner, 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 the Calculation Agent determines, acting in good faith and in a commercially reasonable manner, 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 (i) the Calculation Agent determines, at any time, that 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 (i) the auditors of the Fund qualify any audit report, or refuse to provide an unqualified audit report, in respect of the Fund, and/or (ii) the Calculation Agent, acting in good faith and in a commercially reasonable manner, 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 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 or cost 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 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 (or the combined effect thereof if occurring more than once) 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 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;

2.31 at any time on or after the Trade Date of the first issue of the Series, the Hedge Provider directly or indirectly acquires any ownership interest in or sponsors a covered fund that is not subject to an exemption under 12 U.S.C. §1851 (the "**U.S. Volcker Rule**");

2.32 at any time on or after the Trade Date, the Issuer 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; or

2.33 at any time on or after the Trade Date of the first issue of the Series, (i) the Hedge Provider unintentionally acquires directly or indirectly any ownership interest in a Fund that exceeds 10 per cent. of the total assets under management or (ii) as a consequence of changes in the performance, size, investment strategy or liquidity of a Fund, the Hedge Provider holds an ownership interest in such Fund that exceeds 10 per cent. of the total assets under management;

Dealing Events:

2.34 (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 determination of the Calculation Agent acting in good faith and in a commercially reasonable manner 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:

2.35 in the case of Securities linked to a Fund Basket, a Basket Trigger Event occurs;

2.36 the Fund or any Fund Service Provider defaults under, materially modifies, or terminates any rebate agreements in place with the Issuer, the Hedge Provider or any of its Affiliates;

2.37 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;

2.38 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

2.39 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 Inc., or any successor to the ratings business thereof ("**Moody's**"), and/or Standard and Poor's Rating Group (a division of McGraw-Hill, Inc.), 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 Security 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; and

(ii) "**Fund Shares**" shall include the Fund Shares and the shares or units in any Fund (as defined in paragraph (i) above)

All of the events listed in this Fund Security Condition 2 (Extraordinary Fund Events) will constitute an Extraordinary Fund Event, unless SC/FM Fund Events is specified as applicable in the applicable Final Terms, in which case the events described in Fund Security Conditions 2.13, 2.17, 2.26, 2.27 (iv), 2.27 (v), 2.28, 2.29, 2.30, 2.31, 2.32 and 2.34(iii) will not constitute an Extraordinary Fund Event.

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 Issuer may determine which Extraordinary Fund Event is to be triggered.

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 shall give notice (an "**Extraordinary Fund Event Notice**") to the Securityholders in accordance with Security Condition 8 (*Notices*) (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**") as soon as reasonably practicable following the determination of an Extraordinary Fund Event. The Extraordinary Fund Event Notice shall set out, if determined at that time, the action that the Issuer has determined to take in respect of the Extraordinary Fund Event pursuant to Fund Security Condition 4.2. Where the action that the Issuer has determined to take is not, for whatever reason, set out in the Extraordinary Fund Event Notice, the action that the Issuer has determined to take shall be set out in a subsequent notice given to Securityholders in accordance with Security Condition 8 (*Notices*) as soon as reasonably practicable after the Extraordinary Fund Event Notification Date.

Neither the Issuer nor the Calculation Agent shall be responsible for any loss, underperformance or opportunity cost suffered or incurred by any Securityholder or any other person in connection with the Securities as a result of any delay in notifying Securityholders of the occurrence of an Extraordinary Fund Event, 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 Issuer has determined the action that it has determined to take pursuant to Fund Security Condition 4.2.

4.2 Following the occurrence of an Extraordinary Fund Event, the Issuer may take the action described below in 4.2(a), (b) or (c) provided that, if the Calculation Agent determines that an Extraordinary Fund Event has occurred or is continuing on the Delayed Payment Cut-off Date in accordance with the provisions of Fund Security Condition 5 below (*Settlement Date/Automatic Early Settlement Date/ Termination Date Extension)*, the Issuer shall determine that the action to be taken in respect of the Extraordinary Fund Event is "**Termination**".

(a) Adjustment

If the Issuer determines that the action to be taken in respect of the Extraordinary Fund Event is to be "**Adjustment**", then the Calculation Agent may determine, acting in good faith and in a commercially reasonable manner, 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 Terms and Conditions and/or the applicable Final Terms to take account of the Extraordinary Fund Event and determine the effective date of such adjustment.

(b) Substitution

If the Issuer determines that the action 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 (the "**Affected Fund**") in such number as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner 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 determination of the Calculation Agent (acting in good faith and in a commercially reasonable manner), has similar characteristics to the Affected 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 sub-paragraph (ii) above, use reasonable efforts to substitute the Fund with an index (or a fund tracking such index) selected by the Calculation Agent acting in good faith and in a commercially reasonable manner; and

(iv) following any substitution in accordance with sub-paragraph (ii) or (iii) above, the Issuer may require the Calculation Agent make such determinations and/or adjustments to these Terms and Conditions and/or the Final Terms as it determines to be appropriate to take account of such Substitution.

(c) Termination

If the Issuer determines that the action to be taken in respect of the Extraordinary Fund Event is to be "**Termination**", on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*) (which such notice may be included in the Extraordinary Fund Event Notice in respect of the relevant Extraordinary Fund Event and will specify the Termination Date), all but not some only of the outstanding Securities shall be settled by payment of the Termination Amount on the Termination Date, payment being made in such manner as shall be notified to the Securityholders in accordance with Security Condition 8 (*Notices*).

5. **Settlement Date/Automatic Early Settlement Date/Termination Date Extension**

In the case of Cash Settled Securities, if on the date falling four Business Days prior to the originally designated Settlement Date or Automatic Early Settlement 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 postpone the Settlement Date or Automatic Early Settlement Date, as the case may be, and notify the Securityholders thereof in accordance with Security Condition 8 (*Notices*).

As soon as practicable following receipt by the Hedge Provider of the Redemption Proceeds the Calculation Agent shall give notice to Securityholders in accordance with Security Condition 8 (*Notices*) (such notice the "**Delayed Payment Notice**") and settle the Securities 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 Securityholder of the Cash Settlement Amount, the Automatic Early Settlement Amount, provided that, if the Hedge Provider does not receive the Redemption Proceeds within the period ending on (and including) the Delayed Payment Cut-off Date, the Calculation Agent shall determine that an Extraordinary Fund Event has occurred and is continuing on the Delayed Payment Cut-off Date and shall notify Securityholders thereof in accordance with the procedures set out in Fund Security Condition 4 above, and in accordance with Security Condition 8 (*Notices*) and the provisions of Fund Security Condition 4.2(c) shall apply.

In the case of Securities which pay a Remuneration Amount, if on the date falling four Business Days prior to Remuneration Payment Date, as applicable, 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 Securityholders in accordance with Security Condition 8 (*Notices*) that such Remuneration Payment Date, has been postponed. As soon as practicable following receipt by the Hedge Provider of the Redemption Proceeds the Calculation Agent shall give notice to Securityholders in accordance with Security Condition 8 (*Notices*) (such notice the "**Delayed Payment Notice**") and the Issuer shall pay the Remuneration Amount in respect of the Remuneration Amount Period, as the case may be, ending on or immediately preceding the Remuneration Payment Date, 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 Payment Date**") and no additional amount shall be payable in respect of such delay, provided that, if the Hedge Provider does not receive the Redemption Proceeds within the period ending on (and including) the Delayed Payment Cut-off Date, the Calculation Agent shall determine that an Extraordinary Fund Event has occurred and is continuing on the Delayed Payment Cut-off Date and shall notify Securityholders thereof in accordance with the procedures set out in Fund Security Condition 4 above (*Consequences of an Extraordinary Fund Event)*, and in accordance with Security Condition 8 (*Notices*) and the provisions of Fund Security Condition 4.2(c) shall apply.

ANNEX 10

ADDITIONAL TERMS AND CONDITIONS FOR FUTURES SECURITIES

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Securities specified in the applicable Final Terms as Futures Securities shall comprise the terms and conditions of Securities (the "**Security Conditions**") and the additional Terms and Conditions for Futures Securities set out below (the "**Futures Security Conditions**"), in each case together with any other additional terms and conditions specified in the applicable Final Terms and subject to completion in the applicable Final Terms. In the event of any inconsistency between (i) the Security Conditions and (ii) the Futures Security Conditions, the Futures Security Conditions shall prevail. References in the Future Security Conditions to "Security" and "Securities" shall be deemed to be references to "Security" or "Securities" as the context admits.

1. Definitions

"**Basket of Futures**" means a basket composed of each Future 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 Future(s);

"**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 fails to open for trading during its regular trading session(s) or on which a Market Disruption Event has occurred;

"**Early Closure**" means the closure on any Exchange Business Day of the relevant Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s), at least one hour prior to the earlier of (a) the actual closing time for the regular trading session on such Exchange(s) on such Exchange Business Day and (b) the submission deadline for orders to be entered into the Exchange for execution at the Valuation Time on such Exchange Business Day;

"**Exchange**" means, in relation to a Future, each exchange or quotation system specified as such 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 Future has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Future on such temporary substitute exchange or quotation system as on the original Exchange);

"**Exchange Business Day**" means either (a) in the case of a single Future, Exchange Business Day (Single Future Basis) or (b) in the case of a Basket of Futures, Exchange Business Day (All Futures Basis) or Exchange Business Day (Per Future 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 Future Basis) shall apply;

"**Exchange Business Day (All Futures Basis)**" means, in respect of all Futures comprised in a Basket of Futures, any Scheduled Trading Day on which each Exchange is, in respect of such Futures, open for trading during its regular trading session(s) notwithstanding such Exchange closing prior to its Scheduled Closing Time;

"**Exchange Business Day (Per Future Basis)**" means, in respect of a Future, any Scheduled Trading Day on which the relevant Exchange in respect of such Future is open for trading during its regular trading session(s), notwithstanding such relevant Exchange closing prior to its Scheduled Closing Time;

"**Exchange Business Day (Single Future Basis)**" means any Scheduled Trading Day on which the relevant Exchange is open for trading during its respective regular trading session(s), notwithstanding such relevant Exchange closing prior to its Scheduled Closing Time;

"**Exchange Disruption**" means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner) the ability of market participants in general to effect transactions in, or obtain market values for, the Futures on the Exchange;

"**Future**" or "**Futures**" means, subject to adjustments in accordance with this Annex 10, in the case of an issue of Securities relating to a single Future, the futures contract and, in the case of an issue of Securities relating to a Basket of Futures, each futures contract, specified in the applicable Final Terms, and related expressions shall be construed accordingly;

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

"**Protected Amount**" means the amount specified as such in the applicable Final Terms;

"**Scheduled Trading Day**" means either (a) in the case of a single Future, Scheduled Trading Day (Single Future Basis) or (b) in the case of a Basket of Futures, Scheduled Trading Day (All Futures Basis) or Scheduled Trading Day (Per Future 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 Future Basis) shall apply;

"**Scheduled Trading Day (All Futures Basis)**" means, in respect of all Futures comprising the Basket of Futures, any day on which each Exchange is, in respect of such Futures, scheduled to be open for trading during its regular trading session(s);

"**Scheduled Trading Day (Per Future Basis)**" means, in respect of a Future, any day on which the relevant Exchange is scheduled to be open for trading during its regular trading session(s);

"**Scheduled Trading Day (Single Future Basis)**" means any day on which the relevant Exchange is scheduled to be open for trading during its regular trading session(s);

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

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

(a) in the case of Futures Securities relating to a Basket of Futures and in respect of each Futures comprising the basket, an amount equal to the official closing price (or the price at the Valuation Time on an Averaging Date or the Valuation Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such Future on (i) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date and, in either case, multiplied by the relevant Weighting; and

(b) in the case of Futures Securities relating to a single Future, an amount equal to the official price (or the price at the Valuation Time on an Averaging Date or the Valuation Date, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such Future on (i) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date;

"**Trading Disruption**" means any suspension of or limitation imposed on trading by the relevant Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or otherwise relating to the Futures on the Exchange.

2. Market Disruption

"**Market Disruption Event**" means, in relation to Securities relating to a single Future or a Basket of Futures, in respect of a Future the occurrence or existence of (a) a Trading Disruption, (b) an Exchange Disruption, which in either case the Calculation Agent determines acting in good faith and in a commercially reasonable manner is material, at any time during the one hour period that ends at the relevant Valuation Time, or (c) an Early Closure.

The Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with Security Condition 8 (*Notices*) of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been an Averaging Date, or an Observation Date, a Valuation Date or the Strike Date.

3. Adjustments to a Future

3.1 Futures Modification, Futures Replacement or Futures De-Listing

If, on or prior to the last Valuation Date, the last Observation Date or the last Averaging Date, (a) the relevant Exchange makes or announces that it will make a material change in the conditions of the Future(s) (a "**Futures Modification**"), (b) the relevant Exchange replaces the Future by a new Future contract to be substituted to the Future (a "**Futures Replacement**") or (c) the relevant Exchange announces that the relevant Future cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason and is not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in a member state of the European Union) (a "**Futures De-Listing**" and, together with a Futures Modification and a Futures Replacement, each a "**Futures Adjustment Event**"), then:

(a) following the occurrence of a Futures Modification or a Futures Replacement, the Calculation Agent shall determine acting in good faith and in a commercially reasonable manner if such Futures Modification or Futures Replacement has a material effect on the Securities and, if so, shall use the Future(s) so modified or replaced in lieu of the initial Future with respect to the relevant Securities; or

(b) (i) unless Delayed Settlement on Occurrence of Futures Adjustment Event, Highest Value, Market Value or Monetisation Option are specified as being applicable in the applicable Final Terms, the Issuer may settle the Securities by giving notice to Securityholders in accordance with Security Condition 8 (*Notices*). If the Securities are so settled the Issuer will pay an amount to each Securityholder in respect of each Security being settled at an amount equal to the fair market value of a Security, taking into account the Futures Adjustment Event, less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, payment being made in such manner as shall be notified to the Securityholders in accordance with Security Condition 8 (*Notices*); or

(ii) if Delayed Settlement on Occurrence of Futures Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Futures Adjustment Event less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Futures Adjustment Amount**") as soon as practicable following the occurrence of the Futures Adjustment Event (the "**Calculated Futures Adjustment Amount Determination Date**") and on the Settlement Date shall settle each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Futures Adjustment Amount plus interest accrued from and including the Calculated Futures Adjustment Amount Determination Date to but excluding the Settlement Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in

the applicable Final Terms and if greater, the Protected Amount (specified in the applicable Final Terms); or

(iii) if Highest Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityholder an amount in respect of each Security held by such Securityholder calculated and paid on such date determined, in accordance with Security Condition 20(a);

(iv) if Market Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityholder an amount in respect of each Security held by such Securityholder calculated and paid on such date determined, in accordance with Security Condition 20(b); or

(v) if Monetisation Option is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Securityholders\ in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityolder an amount in respect of each Security held by such Securityholder calculated and paid on such date determined, in accordance with Security Condition 20(c); or

(vi) if the Calculation Agent determines that such Futures Adjustment Event constitutes a *force majeure*, and if Futures Security Condition 3.1(b)(vi) is specified in the applicable Final Terms, the Issuer will on giving notice to Securityholders in accordance with Security Condition 8 (*Notices*), settle all but not some only of the Securities and pay to each Securityolder an amount in respect of each Security held by such Securityholder, which amount shall be equal to the fair market value of a Security taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early settle the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Securityholders on the date notified to the Securityholders in the notice of early settlement.

3.2 **Notice**

The Calculation Agent shall, as soon as practicable, notify the Fiscal Agent of any determination made by it pursuant to paragraph 3.1 (*Futures Modification, Futures Replacement or Futures De-Listing*) above and the action proposed to be taken in relation thereto and the Fiscal Agent shall make available for inspection by Securityholders copies of any such determinations.

4. Correction of Futures Price

With the exception of any corrections published after the day which is three Exchange Business Days prior to the due date for any payment under the Securities, if the price of the relevant Future(s) 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 Futures Correction Period of the original publication, the price to be used shall be the price of the relevant Future(s) 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.

ANNEX 11

ADDITIONAL TERMS AND CONDITIONS FOR UNDERLYING INTEREST RATE SECURITIES

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Securities specified in the applicable Final Terms as Underlying Interest Rate Securities shall comprise the terms and conditions of Securities (the "**Security Conditions**") and the additional Terms and Conditions for Underlying Interest Rate Securities set out below (the "**Underlying Interest Rate Security Conditions**"), in each case together with any other additional terms and conditions specified in the applicable Final Terms and subject to completion in the applicable Final Terms. In the event of any inconsistency between (i) the Security Conditions and (ii) the Underlying Interest Rate Security Conditions, the Underlying Interest Rate Security Conditions shall prevail. References in the Underlying Interest Rate Security Conditions to "Security" or "Securities" shall be deemed to be references to "Security" or "Securities" as the context admits.

1. Underlying Interest Rate Determination

In respect of each Underlying Interest Determination Date specified in the applicable Final Terms, the Underlying Interest Rate or, if two or more Underlying Interest Rates are specified in the applicable Final Terms, each Underlying Interest Rate will be determined in the manner specified in the applicable Final Terms. Each Underlying Interest Rate comprising a Multiple Underlying Interest Rate will be calculated separately and independently as provided below and in the applicable Final Terms.

2. ISDA Determination

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Underlying Interest Rate is to be determined, the Underlying Reference Rate will be the relevant Underlying ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Underlying Margin (if any) specified in the applicable Final Terms. For the purposes of these Underlying Interest Rate Security Conditions, "**Underlying ISDA Rate**" 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 (as defined in the ISDA Definitions) 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 Securities (the "**ISDA Definitions**") and under which:

(a) the Floating Rate Option is as specified in the applicable Final Terms, provided that, if the Floating Rate Option specified in the applicable Final Terms is a LIBOR or EURIBOR rate, in the event that EURIBOR or LIBOR has been discontinued, such other successor benchmark rate as the financial industry shall have accepted as a successor or substitute rate for EURIBOR or LIBOR for the relevant currency, as applicable;

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

(c) the relevant Reset Date is as specified in the applicable Final Terms.

For the purposes of these Underlying Interest Rate Security Conditions, "**Floating Rate**", "**Floating Rate Option**", "**Designated Maturity**" and "**Reset Date**" have the meanings given to those terms in the ISDA Definitions.

3. Screen Rate Determination

(i) Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Underlying Interest Rate is to be determined, the Underlying Reference Rate 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 Underlying Reference Rate(s) which appears or appear, as the case may be, on the Relevant Screen Page (or such replacement page on that service which displays the information) 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) (the "**Screen Page Underlying Reference Rate**") on the Underlying Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Underlying Margin (if any), all as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

(ii) In the event that the Relevant Screen Page is not available or if, in the case of (i)(a) above, no such offered quotation appears on the Relevant Screen Page (or such replacement page on that service which displays the information) or, in the case of (ii)(a) above, fewer than three such offered quotations appear on the Relevant Screen Page (or such replacement page on that service which displays the information), in each case as at the Specified Time indicated above or in the applicable Final Terms, except as provided in paragraph (iii) below, the Calculation Agent will determine the Underlying Reference Rate as the rate it determines would have prevailed but for such nonavailability or other event acting in good faith and and in a commercially reasonable manner.

(iii) If the Calculation Agent determines at any time prior to any Underlying Interest Determination Date, that the Screen Page Underlying Reference Rate has been discontinued, the Calculation Agent will use, as a substitute for the Screen Page Underlying Reference Rate, the alternative reference rate selected by the central bank, reserve bank, monetary authority or any similar institution (including any committee or working group thereof) in the jurisdiction of the currency of the relevant rate that is consistent with industry accepted standards, provided that if the Calculation Agent notifies the Issuer that it is unable to determine such an alternative reference rate, the Calculation Agent will as soon as reasonably practicable (and in any event before the Business Day prior to the applicable Underlying Interest

Determination Date) appoint an agent (the "**Underlying Reference Rate Determination Agent**"), which will determine whether a substitute or successor rate, which is substantially comparable to the Screen Page Underlying Reference Rate, is available for the purpose of determining the Underlying Reference Rate on each Underlying Interest Determination Date falling on or after the date of such determination. If the Underlying Reference Rate Determination Agent determines that there is an industry accepted successor rate, the Underlying Reference Rate Determination Agent will notify the Issuer of such successor rate to be used by the Calculation Agent to determine the Underlying Interest Rate.

If the Underlying Reference Rate Determination Agent or the Calculation Agent, as applicable has determined a substitute or successor rate in accordance with the foregoing paragraph (such rate, the "**Replacement Underlying Reference Rate**"), for the purpose of determining the Underlying Reference Rate on each Underlying Interest Determination Date falling on or after such determination:

a) the Underlying Reference Rate Determination Agent or the Calculation Agent, as applicable, will also determine the changes (if any) required to the Underlying Interest Determination Date and any method for obtaining the Replacement Underlying Reference Rate, including any adjustment needed to make such Replacement Underlying Reference Rate comparable to the Screen Page Underlying Reference Rate, in each case acting in good faith and in a commercially reasonable manner that is consistent with industry-accepted practices for such Replacement Underlying Reference Rate;

b) references to the Underlying Reference Rate in these Underlying Interest Rate Security Conditions will be deemed to be references to the relevant Replacement Underlying Reference Rate, including any alternative method for determining such rate as described in (a) above;

c) the Underlying Reference Rate Determination Agent or the Calculation Agent, as applicable, will notify the Issuer of the Replacement Underlying Reference Rate, and the details described in (a) above as soon as reasonably practicable; and

d) the Issuer will give notice to the Holders in accordance with Security Condition 8 (*Notices*), and the Calculation Agent of the Replacement Underlying Reference Rate, and the details described in (i) above as soon as reasonably practicable but in any event no later than 5:00 p.m. (London time) on the Business Day prior to the applicable Underlying Interest Determination Date.

The determination of the Replacement Underlying Reference Rate and the other matters referred to above by the Underlying Reference Rate Determination Agent or the Calculation Agent, as applicable, will (in the absence of manifest error) be final and binding on the Issuer, the Calculation Agent and the Holders, unless the Issuer, the Calculation Agent or the Underlying Reference Rate Determination Agent determines at a later date that the Replacement Underlying Reference Rate is no longer substantially comparable to the Underlying Reference Rate or does not constitute an industry accepted successor rate, in which case the Calculation Agent shall appoint or re-appoint a Underlying Reference Rate Determination Agent, as the case may be (which may or may not be the same entity as the original

Underlying Reference Rate Determination Agent or the Calculation Agent) for the purpose of confirming the Replacement Underlying Reference Rate or determining a substitute Replacement Underlying Reference Rate in an identical manner as described in this paragraph (iii). If the replacement Underlying Reference Rate Determination Agent or the Calculation Agent, as applicable, is unable to or otherwise does not determine a substitute Replacement Underlying Reference Rate, then the Replacement Underlying Reference Rate will remain unchanged.

The Underlying Reference Rate Determination Agent may be (x) a leading bank, broker-dealer or benchmark agent in the principal financial centre of the currency of the relevant rate as appointed by the Calculation Agent, (y) the Issuer or the Guarantor (if applicable) or (z) an affiliate of the Issuer, the Guarantor (if applicable) or the Calculation Agent.

If the Underlying Reference Rate Determination Agent or the Calculation Agent, as applicable, is unable to or otherwise does not determine a Replacement Underlying Reference Rate, then the Replacement Underlying Reference Rate, shall be equal to the last Underlying Reference Rate available on the Screen Page Underlying Reference Rate, plus or minus (as appropriate) the Underlying Margin (if any), as determined by the Calculation Agent.

4. Determination of Underlying Interest Rate

The Calculation Agent will, on or as soon as practicable after each date on which the Underlying Interest Rate is to be determined, which if the Securities are Hybrid Securities and Hybrid Business Day is specified as applicable in the applicable Final Terms, will be deemed to be a Scheduled Trading Day for the purposes of determining whether such day is a Hybrid Business Day (the "**Underlying Interest Determination Date**"), determine the Underlying Reference Rate (subject to any Minimum Underlying Reference Rate or Maximum Underlying Reference Rate specified in the applicable Final Terms). The Calculation Agent will notify the Principal Paying Agent of the Underlying Reference Rate as soon as practicable after calculating the same.

5. Minimum and/or Maximum Underlying Reference Rate

If the applicable Final Terms specifies a Minimum Underlying Reference Rate, then, in the event that the Underlying Reference Rate determined in accordance with the provisions of Underlying Interest Rate Security Conditions 2 (*ISDA Determination)* or 3 (*Screen Rate Determination***)** above (as appropriate) is less than such Minimum Underlying Reference Rate, the Underlying Reference Rate shall be such Minimum Underlying Reference Rate.

If the applicable Final Terms specifies a Maximum Underlying Reference Rate, then, in the event that the Underlying Reference Rate determined in accordance with the provisions of Underlying Interest Rate Security Conditions 2 (*ISDA Determination)* or 3 (*Screen Rate Determination***)** above (as appropriate) is greater than such Maximum Underlying Reference Rate, the Underlying Reference Rate shall be such Maximum Underlying Reference Rate.

ANNEX 12

ADDITIONAL TERMS AND CONDITIONS FOR CREDIT SECURITIES

If specified as applicable in the Final Terms, the terms and conditions applicable to Certificates specified in the Final Terms as Credit Securities shall comprise the terms and conditions of Securities (the "**Security Conditions**") and the additional Terms and Conditions for Credit Securities set out below (the "**Credit Security Conditions**") together with any other additional terms and conditions specified in the Final Terms and subject to completion in the Final Terms. In the event of any inconsistency between (i) the Security Conditions and (ii) the Credit Securitiy Conditions, the Credit Security Conditions shall prevail. A reference in these Credit Security Conditions to "the Final Terms" shall be construed as being a reference to the applicable Final Terms and for Credit Securities in respect of which more than one Reference Entity is specified, a reference to "the Reference Entity" shall be a reference to the applicable Reference Entity.

1. General

(a) Credit Terms

The Final Terms shall specify:

(i) the Trade Date and the Scheduled Settlement Date;

(ii) the type of Credit Securities, being Single Reference Entity Credit Securities, Zero Recovery Credit Securities, Nth-to-Default Credit Securities, Basket Credit Securities, Linear Basket Credit Securities, Tranched Credit Securities, Bonus Remuneration Credit Securities and/or First-to-Default Credit Securities, Combination Credit Securities;

(iii) the Settlement Method and, where Auction Settlement applies, the applicable Fallback Settlement Method;

(iv) the Reference Entity or Reference Entities in respect of which a Credit Event may occur and, in each case, the related Transaction Type (if applicable, by way of reference to a Relevant Annex);

(v) the Reference Obligation(s) (if any) in respect of each Reference Entity (if applicable, by specifying "Standard Reference Obligation: Applicable");

(vi) the Reference Entity Notional Amount or, as applicable, Reference Entity Weighting in respect of each Reference Entity (save where such terms are set out in a Relevant Annex); and

(vii) if the Certificates are Combination Credit Securities, the relevant information in sub-paragraphs (ii) to (vi) above for each of: (a) provisions relating to remuneration; and (b) provisions relating to principal.

(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 Security 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) Relevant Annex

Where "Relevant Annex" is specified as applicable in the Final Terms, then notwithstanding Credit Security Condition 9 (*Successors*), Reference Entities for the purposes of the Credit Securities shall be as set out in such Relevant Annex (together with, in respect of each relevant Reference Entity, the Reference Entity Notional Amount (or, as applicable, the Reference Entity Weighting), Reference Obligations and Substitute Reference Obligations) as set out in the Final Terms, or, as applicable, as determined and published from time to time by the relevant Index Sponsor. The Calculation Agent may rely on any determinations of the relevant Index Sponsor and neither the Issuer nor the Calculation Agent will have any liability to the Securityholders or any other person as a result of relying on any such determination.

For Tranched Credit Securities that reference a Relevant Annex, if the Relevant Annex relates to version 2 or a later version of the relevant index then the Final Terms may specify a "Settled Entity Matrix" that determines the Loss Amount(s) and Recovery Amount(s) prior to the Trade Date. No amounts will be payable in respect of such Loss Amount(s) or Recovery Amount(s), they are only needed to work out the Aggregate Loss Amount and Aggregate Recovery Amount as at the Trade Date.

(d) Additional Provisions

If, in accordance with the specified Transaction Type or otherwise, any Additional Provisions are applicable, these Credit Security Conditions shall take effect subject to the provisions thereof.

2. Settlement

(a) Settlement at Credit Security Settlement Date

The Issuer will settle each Credit Security on the related Credit Security Settlement Date (as such date may be extended in accordance with the definition thereof) by payment of an amount equal to the Outstanding Notional Amount (as reduced from time to time in accordance with the definition thereof) of such Certificate (together with remuneration, if any, payable thereon) unless the Credit Securities have been previously settled or purchased and cancelled in full (including pursuant to Credit Security Conditions 2(b), 2(d) or 2(e)).

Where the Outstanding Notional Amount of any Credit Security is reduced to zero, then upon the performance by the Issuer of any remaining obligations in respect of the Credit Security (including pursuant to Credit Security Condition 2(b), such Credit Security shall be deemed to have been settled in full without further payment. In the case of Tranched Credit Securities, settlement shall be in accordance with Credit Security Condition 5 (*Tranched Credit Securities*) below.

(b) Settlement following Event Determination Date

Upon the occurrence of an Event Determination Date in relation to any Reference Entity, the Issuer will:

(i) if the applicable Settlement Method is Auction Settlement, make payment in respect of each Credit Security 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;

(ii) if the applicable Settlement Method is Physical Settlement, perform its obligations in respect of each Credit Security in accordance with Credit Security Condition 7 (*Physical Settlement*); and

(iii) if the applicable Settlement Method is Cash Settlement, make payment in respect of each Credit Security of its *pro rata* share of the Credit Event Cash Settlement Amount on the Cash Settlement Date.

Where the applicable Settlement Method is Auction Settlement, if an Event Determination Date occurs with respect to a Reference Entity following the occurrence of a Fallback Settlement Event with respect to a prior Event Determination Date in relation to such Reference Entity and no Fallback Settlement Event occurs with respect to a subsequent Event Determination Date, the Issuer shall, if it so elects on or prior to a related Valuation Date or Delivery Date, settle the Credit Securities pursuant to the occurrence of the subsequent Event Determination Date in accordance with this Credit Security Condition 2(b) by Auction Settlement.

This Credit Security Condition 2(b) shall not apply, and the Issuer shall have no obligations hereunder in respect of Zero Recovery Credit Securities.

(c) Settlement at Maturity

Where "Settlement at Maturity" is specified as applicable, payment of any Outstanding Notional Amount, Auction Settlement Amounts or Credit Event Cash Settlement Amounts, as applicable, shall be deferred until the later of the Credit Security Settlement Date and the last Auction Settlement Date or Cash Settlement Date determined in respect of any Reference Entity (and notwithstanding any other provision of the Security Conditions or these Credit Security Conditions, no additional remuneration shall be payable on any payment of any amount which is so deferred).

(d) Settlement following a Merger Event

If this Credit Security Condition 2(d) is specified as applicable in the Final Terms, in the event that in the determination of the Calculation Agent a Merger Event has occurred, the Issuer may give notice to the Securityholders in accordance with Security Condition 8 (*Notices*), and settle all but not some only of the Credit Securities on the Merger Event Settlement Date, and if the Credit Securities are so settled,

the Issuer shall pay an amount to each Securityholder in respect of each Credit Security, which amount shall be the fair market value of such Credit Security taking into account the Merger Event less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (including without limitation any Credit Unwind Costs), all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner.

(e) Additional Credit Securities Disruption Events

If the Calculation Agent determines that an Additional Credit Securities Disruption Event has occurred, the Issuer may settle all but not some of the Credit Securities by giving notice to Securityholders in accordance with Security Condition 8 (*Notices*). If the Credit Securities are so settled, the Issuer will pay an amount to each Securityholder in respect of each Credit Security equal to the fair market value of such Credit Security taking into account the Additional Credit Securities Disruption Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements all as determined by the Calculation Agent in a commercially reasonable manner.

(f) Suspension of Obligations

If there is a DC Credit Event Question in relation to any Reference Entity, then (unless the Issuer otherwise elects by notice to the Calculation Agent and the Securityholders) from the date of such DC Credit Event Question (and notwithstanding that the relevant Credit Derivatives Determinations Committee has yet to determine whether Publicly Available Information is available or that a Credit Event has occurred), any obligation of the Issuer to settle and make payments in respect of any Credit Security (including pursuant to Credit Security Condition 2(b) (and the timing requirements of the Cash Settlement Date, Valuation Date, Relevant Valuation Date, NOPS Cut-off Date, Physical Settlement Period and any other provisions pertaining to settlement) insofar as it relates to the relevant Reference Entity, or pay any remuneration amount which would otherwise be due thereon or any obligation of the Calculation Agent to calculate any remuneration amount (in each case, regardless of whether any such remuneration relates to the relevant Reference Entity), shall, insofar as it relates to the relevant Reference Entity, be and remain suspended until the date of the relevant DC Credit Event Announcement, DC No Credit Event Announcement or DC Credit Event Question Dismissal.

During such suspension period, the Issuer shall not be obliged to, nor entitled to, take any action in connection with the settlement of the Credit Securities, in each case insofar as they relate to the relevant Reference Entity, or in connection with the payment of any applicable remuneration on the Credit Securities, nor, if the Final Terms specifies that "Calculation and Settlement Suspension" applies, shall the Calculation Agent be obliged to take any action in connection with the calculation of any remuneration amount (in each case, if the Final Terms specifies that "Calculation and Settlement Suspension" applies, regardless of whether any such remuneration relates to the relevant Reference Entity). Once the relevant DC Credit Event Announcement, DC No Credit Event Announcement or DC Credit Event Question Dismissal has occurred, such suspension shall terminate and any obligations so suspended shall resume on the Credit Security Business Day following such public announcement by ISDA, with the Issuer and, as the case may be, the Calculation Agent having the benefit of the full day

notwithstanding when the suspension began. Any remuneration amount so suspended shall, subject always to Credit Security Condition 3(a), become due on a date selected by the Calculation Agent falling not later than fifteen Business Days following such public announcement by ISDA.

For the avoidance of doubt, no additional remuneration shall be payable on any payment of remuneration or any other amounts which are deferred in accordance with this Credit Security Condition 2(f).

(g) Miscellaneous provisions relating to Settlement

If the Credit Securities are partially settled, the relevant Credit Securities or, if the Credit Securities are represented by a Global Security, such Global Security, shall be endorsed to reflect such partial settlement. Upon such partial settlement, the Outstanding Notional Amount of each Credit Security shall be reduced for all purposes (including calculation of remuneration amounts thereon but without duplication with any cessation of remuneration accrual pursuant to Credit Security Condition 3(a) accordingly.

Settlement of any Credit Security in accordance with this Credit Security Condition 2 (*Settlement*), together with payment of remuneration, if any, due thereon shall discharge all or the relevant portion of the obligations of the Issuer in relation thereto.

(h) Basket Credit Securities where the Final Terms specify a Distribution End Date

If a Distribution Period Event Determination Date occurs with respect to any Reference Entity and any Basket Credit Securities, Credit Security Conditions 2(b) (*Settlement following Event Determination Date*), 2(c) (*Settlement at Maturity*), and 7 (*Physical Settlement*) shall not apply and the following provisions shall apply (and for clarification, in respect of such Credit Securities, in the event of any inconsistency between the following and the remainder of the Credit Security Conditions, the following shall prevail):

(a) where the Final Terms specify that "Distribution Period Settlement" applies:

(i) irrespective of the applicable Settlement Method, the Issuer will settle each outstanding Credit Security in part, on the fifth Business Day following the Distribution End Date in an Outstanding Notional Amount corresponding to such Credit Security's *pro rata* share of the relevant Reference Entity Notional Amount by making a payment in respect of each Credit Security equal to its *pro rata* share of the related Reference Entity Notional Amount. For this purpose, in the case of an M(M)R Restructuring, Credit Security Condition 11 (a) (*Multiple Credit Event Notices*) shall not apply; and

(ii) for the avoidance of doubt, no further Event Determination Date may occur in respect of such Reference Entity; or

(b) where the Final Terms specify that "Settlement at Maturity" applies:

(i) with effect from such Distribution Period Event Determination Date, such Reference Entity shall no longer be treated as a Reference Entity for the purpose of these Credit Security Conditions and no further Event Determination Date may occur with respect thereto, including where the Event Determination Date relates to a Restructuring Credit Event in respect of which an Exercise Amount has been determined; and

(ii) no adjustment shall be made to the Reference Entity Notional Amount in respect of any other Reference Entity as a result of the above (notwithstanding the definition thereof); or

(c) where the Final Terms specify that "Distribution Period Event Determination Date Disapplication" applies, notwithstanding anything to the contrary in these Credit Security Conditions, any Distribution Period Event Determination Date which occurs with respect to a Reference Entity shall not be treated as an Event Determination Date for the purpose of these Credit Security Conditions and only Event Determination Dates which occur on or after the Distribution End Date shall be treated as Event Determination Dates for the purpose of these Credit Security Conditions.

(i) Credit Linked Remuneration Only

If Credit Linked Remuneration Only is specified as applicable in the applicable Final Terms, Credit Security Condition 3 (*Remuneration)* will apply to the Securities, but Credit Security Condition 2(a), Credit Security Condition 2(b) and Credit Security Condition 2(c) will not apply. Unless the Credit Securities have previously been settled or purchased and cancelled in full (including pursuant to Credit Security Conditions 2(d) (*Settlement following a Merger Event*) or 2(e) (*Additional Credit Securities Disruption Events*)) the Issuer will settle each Credit Security on the relevant Credit Security Settlement Date by payment of the original Notional Amount specified in the applicable Final Terms.

3. Remuneration

(a) Calculation of Remuneration Amount

In the case of Credit Securities which are specified in the Final Terms to pay remuneration amounts, such remuneration amounts shall be calculated on the daily Outstanding Notional Amount of each Credit Security as the same may be reduced from time to time in accordance with the Credit Security Conditions. Security Condition 22 (*Remuneration)* shall be construed accordingly in relation to Credit Securities. Upon the occurrence of an Event Determination Date in respect of any Reference Entity, the Outstanding Notional Amount of each Credit Security shall, for the purposes of the calculation of remuneration amounts thereon, be deemed to have been reduced in an amount equal to such Credit Security's *pro rata* share of the relevant Reference Entity Notional Amount, (or in the case of Tranched Credit Securities of the corresponding Writedown Amount) with effect from and including:

(i) if "Remuneration to Remuneration Payment Date" is specified as applicable in the Final Terms, the Remuneration Payment Date; immediately preceding such Event Determination

Date (or, in the case of the first Remuneration Payment Date, the Remuneration Commencement Date); or

(ii) if "Remuneration to Event Determination Date" is specified as applicable in the Final Terms, such Event Determination Date.

(b) Remuneration following Scheduled Settlement

Subject always to Credit Security Condition 3(a), if an Extension Notice has been given (other than pursuant to paragraph (d) of the definition of "Extension Notice"), the Remuneration Amount on each Credit Security which is outstanding following the Scheduled Settlement Date shall be calculated as if such Credit Security continues to bear remuneration on its daily Outstanding Notional Amount from (and including) the Scheduled Settlement Date to (but excluding) the related Credit Security Settlement Date at a remuneration rate equal to either:

(i) the rate that Mediobanca or Mediobanca International would pay to an independent customer in respect of overnight deposits in the currency of the Credit 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 remuneration shall be paid with reference to the period from (and including) the Scheduled Settlement Date to (but excluding) the related Credit Security Settlement Date.

(c) Remuneration Payment Dates

Subject to Credit Security Condition 3(a), if the Credit Securities are settled pursuant to the Security Conditions or these Credit Security Conditions, the Scheduled Settlement Date, the Credit Security Settlement Date (if not the Scheduled Settlement Date), the last Auction Settlement Date, the last Cash Settlement Date or the last Delivery Date, as the case may be, shall be a Remuneration Payment Date in respect of each Credit Security and the Issuer shall pay any remuneration calculated as if it was accrued and unpaid in respect of each Credit Security on such Remuneration Payment Date.

(d) Hybrid Remuneration Securities

(i) If Hybrid Remuneration (Simple) is specified as applicable in the applicable Final Terms, Credit Security Condition 3(a) and 3(b) will not apply. Remuneration will be calculated in accordance with the provisions of Security Condition 22(c) (*Linked Remuneration Amount Certificates*) on the basis of the terms and the original Notional Amount, specified in the applicable Final Terms.

(ii) If Hybrid Remuneration (Credit) is specified as applicable in the applicable Final Terms, Credit Security Condition 3(a) (*Calculation of Remuneration Amount*) will apply, provided that, the Remuneration Rate will be calculated in accordance with the provisions of Security Condition

22(c) (*Linked Remuneration Amount Certificates*) on the basis of the terms set out in the applicable Final Terms.

(iii) If Hybrid Remuneration (Multiple) is specified as applicable in the applicable Final Terms, interest shall be payable in respect of the Credit Securities:

(A) in accordance with and subject to these Credit Security Conditions (including where applicable, (i) or (ii) above) as specified in the Final Terms; and

(B) by reference to an alternative Underlying Reference (other than the relevant Reference Entity or Entities), and such additional payments of remuneration may or may not be subject to the terms of these Credit Security Conditions, as set out in the applicable Final Terms.

(e) Bonus Remuneration Credit Securities

If the Credit Securities are Bonus Remuneration Credit Securities, an additional amount shall be payable on either:

(i) where "Final Payment" is specified as the applicable Bonus Remuneration Type in the relevant Final Terms, the Credit Securities Settlement Date; or

(ii) where "Running Basis" is specified as the applicable Bonus Remuneration Type in the relevant Final Terms, the specified Bonus Remuneration Payment Dates,

in relation to the Credit Securities in an amount equal, in respect of each Credit Security, to the initial Notional Amount thereof multiplied by the Outstanding Bonus Remuneration Rate, and where the Running Basis is applicable, multiplied by the Bonus Coupon Day Count Fraction.

4. First-to-Default Credit Securities and Nth-to-Default Credit Securities

(i) Where the Credit Securities are First to Default Credit Securities, Credit Security Condition 2 (*Settlement*) and 3 (*Remuneration*) shall apply upon the occurrence of the first Event Determination Date in respect of any Reference Entity.

(ii) Where the Credit Securities are Nth-to-Default Credit Securities, an Event Determination Date shall not be taken into account for the purposes of Credit Security Condition 2 (*Settlement*) and Credit Security Condition 3 (*Remuneration*) unless and until the number of Reference Entities in respect of which an Event Determination Date has occurred is equal to N (as specified in the Final Terms). Unless "Multiple Default Trigger" is specified as applicable in the Final Terms, with effect from such date, no Event Determination Date shall occur in respect of any other relevant Reference Entity. Where "Multiple Default Trigger" is specified as applicable, the provisions of Credit Security Condition 2 (*Settlement*) and Credit Security Condition 3 (*Remuneration*) shall apply in respect of every subsequent Event Determination Date until, if M is specified as applicable in the applicable Final Terms, the number of

Reference Entities in respect of which an Event Determination Date has occurred is equal to M (as specified in the Final Terms).

5. Tranched Credit Securities

The following provisions shall apply in respect of Credit Securities that are Tranched Credit Securities. For clarification, in respect of such Credit Securities, in the event of any inconsistency between the following and the remainder of the Credit Security Conditions, the following shall prevail:

(i) Unless the Credit Securities have been previously settled in full or purchased and cancelled in full (including pursuant to any Credit Security Condition), the Issuer will settle each Tranched Credit Security on the Credit Security Settlement Date by payment of an amount equal to the Outstanding Notional Amount of such Credit Security (together with remuneration, if any, payable thereon) plus if specified as applicable in the Final Terms, its *pro rata* share of the Aggregate Incurred Recovery Amount, provided that (unless Credit Security Condition 2(b) is specified not to be applicable in the Final Terms or the Final Price is specified in the Final Terms) if an Unsettled Credit Event has occurred, (A) a Settlement Preliminary Amount will be payable on the Credit Security Settlement Date and a Settlement Residual Amount will be payable on the Final Settlement Date, and (B) the Aggregate Incurred Recovery Amount (if any) in respect of each Tranched Credit Security shall be payable on the Final Settlement Date instead of the Credit Security Settlement Date. For the avoidance of doubt, no remuneration amount shall be payable in respect of any Aggregate Incurred Recovery Amount or any payment or postponement of payment thereof.

(ii) If the Outstanding Notional Amount of any Tranched Credit Security is reduced to zero, such Credit Security will be settled in full, by payment of an amount equal to its *pro rata* share of the Aggregate Incurred Recovery Amount (if any) on the Final Settlement Date, and, for the avoidance of doubt, no remuneration amount shall be payable in respect of any Aggregate Incurred Recovery Amount or any payment or postponement of payment thereof) and the Issuer shall have no further obligations in respect of such Credit Securities.

(iii) Credit Security Condition 3(b) (*Remuneration following Scheduled Settlement*) shall not apply, and no interest shall accrue from (and including) the Scheduled Settlement Date. No remuneration shall be payable in respect of any postponement of the payment of any remuneration, settlement amount, Auction Settlement Amount, Credit Event Cash Settlement Amount or any other amounts.

(iv) If the Calculation Agent determines in relation to any Reference Entity:

(A) without prejudice to the sub-paragraphs below, that a Credit Event has occurred or may occur on or prior to any Remuneration Payment Date;

(B) that a Potential Failure to Pay has occurred or may occur on or prior to any Remuneration Payment Date;

(C) that a Potential Repudiation/Moratorium has occurred or may occur on or prior to any Remuneration Payment Date;

(D) that a Credit Event Resolution Request Date has occurred or may occur on or prior to any Remuneration Payment Date; or

(E) (unless Credit Security Condition 2(b) is specified not to be applicable in the Final Terms or the Final Price is specified in the Final Terms) that an Unsettled Credit Event has occurred,

then remuneration (if any) on such Tranched Credit Security shall be calculated on an Outstanding Notional Amount as reduced by its *pro rata* share of the sum of : (i) the maximum Incurred Loss Amounts and (ii) the maximum Incurred Recovery Amounts (if specified as applicable in the Final Terms), which could be determined (assuming an Auction Final Price, Weighted Average Final Price or Final Price of zero) (a "**Deemed Remuneration Reduction**") with effect from and including the Remuneration Payment Date (or, if none, the Remuneration Commencement Date) immediately preceding the date of such determination or (in the case of the occurrence of an Unsettled Credit Event) the relevant date applicable pursuant to Credit Security Condition 3(a) (*Cessation of Interest Accrual*). In such case, the related Remuneration Shortfall Amount (if any) shall be payable on the related Remuneration Shortfall Payment Date. No remuneration shall be payable in respect of any such postponement of payment of any Remuneration Shortfall Amount or any other remuneration or other amounts.

(v) If any day is a Final Price Calculation Date with respect to more than one Reference Entity, the Loss Amount, the Recovery Amount, the Incurred Loss Amount and the Incurred Recovery Amount (if applicable) with respect to each Reference Entity shall be calculated in the order that either of the following events occurred with respect to such Reference Entities: (i) the Credit Event Resolution Request Date (provided that if a Credit Event Resolution Request Date occurs in respect of more than one such Reference Entity on the same day, the first Reference Entity in respect of which the DC Secretary announces that the relevant DC Credit Event Question was effective and the relevant Credit Derivatives Determinations Committee was in possession of the relevant Publicly Available Information, in each case in accordance with the "Credit Event Resolution Request Date" definition, shall be deemed to have satisfied this condition first) or (ii) the delivery of the Credit Event Notice (provided that if any of the relevant Credit Event Notices are delivered at the same time, in a sequential order as determined by the Calculation Agent).

6. Combination Credit Securities and Hybrid Credit Securities

(a) Combination Credit Securities

Where the Credit Securities are Combination Credit Securities, amounts payable in respect of remuneration thereon and by way of settlement thereof (including, for clarification, pursuant to the occurrence of a Credit Event), and the dates on which such amounts fall to be paid, will be calculated:

(i) in the case of remuneration, as though the Credit Securities were of the type specified in the Final Terms under the heading "Credit-linked Remuneration Type" and as further specified in the Final Terms under the heading "Terms relating to Credit Linked Remuneration"; and

(ii) in the case of amounts payable on settlement of the Credit Securities, as though the Credit Securities were of the type specified in the Final Terms under the heading "Credit-linked Principal Type" and as further specified in the Final Terms under the heading "Terms relating to Credit Linked Principal".

Where the Credit Securities are subject to settlement in full in circumstances where, pursuant to the above, further amounts are or may be payable subsequently in respect of remuneration thereon, then, only to the extent required by the terms of any relevant clearing system in order to permit payment of such remuneration, each Credit Securities shall be deemed to remain outstanding in an amount equal to one unit of the Specified Currency. No payment shall be made in respect of such outstanding amount, and each Credit Securities which is deemed to be outstanding on such basis shall be cancelled in full on the last date for payment of remuneration thereon.

(b) Hybrid Credit Securities

Where the Credit Securities are Hybrid Securities, then:

(i) unless the Final Terms provide that "Credit Underlying Override" is applicable, then any obligations of the Issuer in respect of the Credit Securities (or, as applicable, the relevant portions of the Notional Amounts thereof) following the occurrence of an Event Determination Date shall be as defined pursuant to these Credit Security Conditions and related provisions of the Final Terms;

(ii) if the Final Terms specify that "Non-Credit Underlying Override" is applicable, then the obligations of the Issuer following the occurrence of an Event Determination Date shall continue to be subject to any provision for early redemption of the Credit Securities arising in connection with the relevant Underlying Reference;

(iii) if the Final Terms specify that "Adjusted Redemption Calculation Basis" is applicable, then any reference to the "Calculation Amount" for the purpose of determining any amount payable on early redemption of the Securities shall be to the Outstanding Notional Amount; and

(iv) if no Event Determination Date occurs, references in Credit Security Condition 2(a) to settlement by payment of the Outstanding Notional Amount of the Credit Securities shall be a reference to redemption by payment of the final payment determined in connection with the relevant Underlying Reference.

7. Physical Settlement

(a) Delivery and payment

If Physical Settlement applies to any Credit Security, then, upon the occurrence of an Event Determination Date, the Issuer shall, on or prior to the related Physical Settlement Date and subject to Credit Security Condition 7(b), Credit Security Condition 7(c) and Credit Security Condition 7(f), settlement such Credit Security in full (or, where such Credit Security is a Basket Credit Security or Linear Basket Credit Security, in part, in an Outstanding Notional Amount corresponding to such Credit Security's *pro rata* share of the relevant Reference Entity Notional Amount), respectively, by:

(a) Delivering a *pro rata* share of the Deliverable Obligations specified in the related Notice of Physical Settlement or NOPS Amendment Notice, as applicable; and

(b) paying such Credit 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, it is impossible or illegal for the Issuer to Deliver or, due to an event beyond the control of the Issuer or any Securityholder, it is impossible or illegal for the Issuer or the relevant Securityholder to accept Delivery of any of the Deliverable Obligations (other than a Deliverable Obligation described in paragraph (d) of the definition of "Deliverable Obligation") specified in a Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, on the related Physical Settlement Date, then on such date the Issuer shall Deliver any of the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, 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 Issuer shall pay the relevant Securityholders an amount equal to the Partial Cash Settlement Amount to be apportioned *pro rata* amongst the relevant Securityholders on the Partial Cash Settlement Date.

(c) Non-Delivery of Deliverable Obligations

If the Issuer does not Deliver any Deliverable Obligation specified in a Notice of Physical Settlement or NOPS Amendment Notice, as applicable, other than as a result of an event or circumstance contemplated in Credit Security Condition 7(b) above (including following the occurrence of a Hedge Disruption Event), such failure shall not constitute an event of default or breach of agreement for the purpose of the Certificates and the Issuer 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 Issuer shall pay to the Securityholders an amount equal to the Partial Cash Settlement Amount to be apportioned *pro rata* amongst the Securityholders on the Partial Cash Settlement Date.

(d) Aggregation and Rounding

Where a Securityholder holds Credit Securities in an Outstanding Notional Amount greater than the Specified Denomination, the Outstanding Principal Balance of the Deliverable Obligations to be Delivered in respect of the Credit Security of such Securityholder shall be aggregated for the purposes of this Credit Security Condition 7. If the Outstanding Principal Balance of the Deliverable Obligations to be Delivered in respect of each Credit Securities to be settled pursuant to this Credit Security Condition 7(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 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 Security Condition 7 (*Physical Settlement)* shall be made in such manner as the Issuer shall determine, in a commercially reasonable manner, 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 any of its Affiliates and payable to the agent under a Loan in connection with an assignment or novation (where Deliverable Obligations include Assignable Loans or Consent Required Loans) or participation (where Deliverable Obligations include Direct Loan Participations) shall be payable by the relevant Securityholders, and if any Stamp Tax or transaction tax is payable in connection with the Delivery of any Deliverable Obligations, payment thereof shall be made by the relevant Securityholders; and

(ii) any other expenses arising from the Delivery and/or transfer of the Deliverable Obligations shall be for the account of the Securityholders or the Issuer, as appropriate, determined by the Calculation Agent 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 Securityholders pursuant to (i) and/or (ii) above, as applicable, have been paid to the satisfaction of the Issuer.

(f) Physical Delivery Confirmation Notice

A Securityholder will not be entitled to any of the amounts or assets specified as being due to it in this Credit Security Condition 7(f) upon the occurrence of an Event Determination Date and delivery of the Notice of Physical Settlement unless it has presented or surrendered (as is appropriate) the relevant Credit Security and delivered a Physical Delivery Confirmation Notice in accordance with Security

Condition 21.1 (*Physical Delivery Confirmation Notice Requirement*). For so long as the Credit Securities are held in any clearing system, any communication from such clearing system on behalf of the Securityholder containing the information required in a Physical Delivery Confirmation Notice will be treated as a Physical Delivery Confirmation Notice. For as long as Bearer Securities are represented by a Global Security, surrender of Credit Securities for such purpose will be effected by presentation of the Global Security and its endorsement to note the Outstanding Notional Amount of Credit Securities to which the relevant a Physical Delivery Confirmation Notice relates.

8. Provisions relating to Obligation Category and Characteristics and Deliverable Obligation Category and Characteristics

(a) Obligation Characteristics

If either of the Obligation Characteristics "Listed" or "Not Domestic Issuance" is specified in the related Final Terms or is applicable in respect of the applicable Transaction Type, the Final Terms shall be construed as though the relevant Obligation Characteristic had been specified as an Obligation Characteristic only with respect to Bonds.

(b) Deliverable Obligation Category and Characteristics

If:

(i) any of the Deliverable Obligation Characteristics "Listed", "Not Domestic Issuance" or "Not Bearer" is specified in the related Final Terms or is applicable in respect of the applicable Transaction Type, such Final Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Bonds;

(ii) the Deliverable Obligation Characteristic "Transferable" is specified in the 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;

(iii) any of the Deliverable Obligation Characteristics "Assignable Loan", "Consent Required Loan" or "Direct Loan Participation" is specified in the 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

(iv) more than one of "Assignable Loan", "Consent Required Loan" and "Direct Loan Participation" are specified in the 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) Relevant Guarantee

If an Obligation or a Deliverable Obligation is a Relevant Guarantee, the following will apply:

(i) For purposes of the application of the Obligation Category or the Deliverable Obligation Category, the Relevant 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 Relevant Guarantee and the Underlying Obligation must satisfy on the relevant date or dates each of the applicable Obligation Characteristics or Deliverable Obligation Characteristics, if any, specified in the Final Terms or applicable in respect of the relevant Transaction Type from the following list: "Not Subordinated", "Specified Currency", "Not Sovereign Lender", "Not Domestic Currency" and "Not Domestic Law".

(iii) For purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics, only the Underlying Obligation must satisfy on the relevant date or dates each of the applicable Obligation Characteristics or the Deliverable Obligation Characteristics, if any, specified in the Final Terms or applicable in respect of the relevant Transaction Type from the following list: "Listed", "Not Domestic Issuance", "Assignable Loan", "Consent Required Loan", "Direct Loan Participation", "Transferable", "Maximum Maturity", "Accelerated or Matured" and "Not Bearer".

(iv) 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.

(v) For the avoidance of doubt the provisions of this Credit Security Condition 8 apply in respect of the definitions of "Obligation" and "Deliverable Obligation" as the context admits.

(d) Maximum Maturity

For purposes of the application of the Deliverable Obligation Characteristic "Maximum Maturity", remaining maturity shall be determined on the basis of the terms of the Deliverable Obligation in effect at the time of making such determination and, in the case of a Deliverable Obligation that is due and payable, the remaining maturity shall be zero.

(e) Financial Reference Entity Terms and Governmental Intervention

If "Financial Reference Entity Terms" and "Governmental Intervention" are specified as applicable in respect of a Reference Entity, if an obligation would otherwise satisfy a particular Obligation Characteristic or Deliverable Obligation Characteristic, the existence of any terms in the relevant obligation in effect at the time of making the determination which permit the Reference Entity's obligations to be altered, discharged, released or suspended in circumstances which would constitute a

Governmental Intervention, shall not cause such obligation to fail to satisfy such Obligation Characteristic or Deliverable Obligation Characteristic.

(f) Prior Deliverable Obligation or Package Observable Bond

For purposes of determining the applicability of Deliverable Obligation Characteristics and the requirements specified in Credit Security Condition 11(b) (Mod R) and Credit Security Condition 11(c) (Mod Mod R) to a Prior Deliverable Obligation or a Package Observable Bond, any such determination shall be made by reference to the terms of the relevant obligation in effect immediately prior to the Asset Package Credit Event.

(g) Subordinated European Insurance Terms

If "Subordinated European Insurance Terms" is specified as applicable in respect of the Reference Entity, if an obligation would otherwise satisfy the "Maximum Maturity" Deliverable Obligation Characteristic, the existence of any Solvency Capital Provisions in such obligation shall not cause it to fail to satisfy such Deliverable Obligation Characteristic.

(h) Accrued Interest

With respect to any Credit Securities for which:

(i) "Physical Settlement" is specified to be the Settlement Method in the related Final Terms (or for which Physical Settlement is applicable as the Fallback Settlement Method), the Outstanding Principal Balance of the Deliverable Obligations being Delivered will exclude accrued but unpaid interest, unless "Include Accrued Interest" is specified in the related Final Terms, in which case, the Outstanding Principal Balance of the Deliverable Obligations being Delivered will include accrued but unpaid interest;

(ii) "Cash Settlement" is specified to be the Settlement Method in the related Final Terms (or if Cash Settlement is applicable as the Fallback Settlement Method), and:

(A) "Include Accrued Interest" is specified in the related Final Terms, the Outstanding Principal Balance of the Reference Obligation or Valuation Obligation, as applicable, shall include accrued but unpaid interest;

(B) "Exclude Accrued Interest" is specified in the related Final Terms, the Outstanding Principal Balance of the Reference Obligation or Valuation Obligation, as applicable, shall not include accrued but unpaid interest; or

(C) neither "Include Accrued Interest" nor "Exclude Accrued Interest" is specified in the related Final Terms, the Calculation Agent shall determine based on the then current market practice in the market of the Reference Obligation or Valuation Obligation, as applicable, whether the Outstanding Principal Balance of the Reference Obligation or

Valuation Obligation shall include or exclude accrued but unpaid interest and, if applicable, the amount thereof; or

(iii) Credit Security Condition 7(b) (*Partial Cash Settlement Due to Impossibility or Illegality*) or Credit Security Condition 7(c) (*Non-Delivery of Deliverable Obligations*) is applicable, the Calculation Agent shall determine, based on the then current market practice in the market of the relevant Undeliverable Obligation, Undeliverable Loan Obligation, Undeliverable Participation or Unassignable Obligation, whether such Quotations shall include or exclude accrued but unpaid interest.

(i) Asset Package Delivery

"**Asset Package Delivery**" will apply if an Asset Package Credit Event occurs, unless (i) such Asset Package Credit Event occurs prior to the Credit Event Backstop Date determined in respect of the Credit Event specified in the Credit Event Notice or DC Credit Event Announcement applicable to the Event Determination Date, or (ii) if the Reference Entity is a Sovereign, no Package Observable Bond exists immediately prior to such Asset Package Credit Event.

If the "Sovereign No Asset Package Delivery Supplement" is applicable in respect of a Reference Entity, then, notwithstanding the above, it shall be deemed that no Package Observable Bond exists with respect to such Reference Entity that is a Sovereign (even if such a Package Observable Bond has been published by ISDA) and accordingly, Asset Package Delivery shall not apply thereto.

9. Successors

(a) Provisions for determining a Successor

(i) Subject as set out in Credit Security Condition 1(c) (*Relevant Annex*), the Calculation Agent may determine, following any succession (or, in relation to a Reference Entity that is a Sovereign, a Sovereign Succession Event) and with effect from the Succession Date, any Successor or Successors under the definition of "Successor"; provided that the Calculation Agent will not make such determination if, at the time of determination, the DC Secretary has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved that there is no Successor based on the relevant succession to Relevant Obligations.

The Calculation Agent will make all calculations and determinations required to be made under the definition of "Successor" (or the provisions relating to the determination of a Successor) on the basis of Eligible Information.

In calculating the percentages used to determine whether an entity qualifies as a Successor under the definition of "Successor", if there is a Steps Plan, the Calculation Agent shall consider all related successions in respect of such Steps Plan in aggregate as if forming part of a single succession.

(ii) An entity may only be a Successor if:

(I) either (A) the related Succession Date occurs on or after the Successor Backstop Date, or (B) such entity is a Universal Successor in respect of which the Succession Date occurred on or after January 1, 2014;

(II) the Reference Entity had at least one Relevant Obligation outstanding immediately prior to the Succession Date and such entity succeeds to all or part of at least one Relevant Obligation of the Reference Entity; and

(III) where the Reference Entity is a Sovereign, such entity succeeded to the Relevant Obligations by way of a Sovereign Succession Event.

(iii) In the case of an exchange offer, the determination required pursuant to the definition of "Successor" shall be made on the basis of the outstanding principal balance of Relevant Obligations exchanged and not on the basis of the outstanding principal balance of the Exchange Bonds or Loans.

(iv) If two or more entities (each, a "**Joint Potential Successor**") jointly succeed to a Relevant Obligation (the "**Joint Relevant Obligation**") either directly or as a provider of a Relevant Guarantee, then (i) if the Joint Relevant Obligation was a direct obligation of the Reference Entity, it shall be treated as having been succeeded to by the Joint Potential Successor (or Joint Potential Successors, in equal parts) which succeeded to such Joint Relevant Obligation as direct obligor or obligors, or (ii) if the Joint Relevant Obligation was a Relevant Guarantee, it shall be treated as having been succeeded to by the Joint Potential Successor (or Joint Potential Successors, in equal parts) which succeeded to such Joint Relevant Obligation as guarantor or guarantors, if any, or otherwise by each Joint Potential Successor in equal parts.

(b) Single Reference Entity

Where the Credit Securities are Single Reference Entity Credit Securities and a Succession Date has occurred and more than one Successor has been identified, each such Credit Security will be deemed for all purposes to have been divided, with effect from the Succession Date, into the same number of new Credit Securities 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 Securities;

(ii) in respect of each deemed new Credit Security, 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 Securities will be replicated in each deemed new Credit Security except that the Calculation Agent shall make such modifications as it determines are required in order to preserve the economic effects of the original Credit Securities in the deemed new Credit Securities (considered in aggregate).

(c) First-to-Default, Nth-to-Default, Linear Basket

Where the Credit Securities are First-to-Default Credit Securities, Nth-to-Default Credit Securities or Linear Basket Credit Securities:

(i) where a Succession Date 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, each such Credit Security will be deemed for all purposes to have been divided, with effect from the Succession Date, into a number of new Credit Securities equal to the number of Successors. Each such new Credit Security shall include a Successor and each and every one of the unaffected Reference Entities and the provisions of Credit Security Condition 9(b) (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 Date) would be a Successor to any other Reference Entity (the "**Legacy Reference Entity**") pursuant to a Succession Date, 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 Date) would be a Successor to a Legacy Reference Entity pursuant to a Succession Date:

(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.

(d) Basket Credit Securities and Tranched Credit Securities

Where the Credit Securities are Basket Credit Securities or Tranched Credit Securities, and one or more Successors have been identified in respect of a Reference Entity that has been the subject of a related Succession Date (the "**Affected Entity**"), then, with effect from the Succession Date:

(i) the Affected Entity will no longer be a Reference Entity (unless it is a Successor as described in (ii) 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 make any modifications to the terms of the Credit Securities which it determines may be required to preserve the economic effects of the Credit Securities prior to the Succession Date (considered in the aggregate); and

(v) for the avoidance of doubt, a Reference Entity may, as a result of a Succession Date, be represented by multiple Reference Entity Notional Amounts for the Successor(s) of such Reference Entity.

10. Provisions relating to LPN Reference Entities and CoCo Supplement

(a) LPN Reference Entities

The following provisions shall apply if the relevant Final Terms provide that "LPN Reference Entity" is applicable:

(i) Multiple Holder Obligation will not be applicable with respect to any Reference Obligation and any Underlying Loan;

(ii) each Reference Obligation will be an Obligation notwithstanding anything to the contrary in these Credit Security Conditions, and in particular, that the obligation is not an obligation of the Reference Entity;

(iii) each Reference Obligation will be a Deliverable Obligation notwithstanding anything to the contrary in these Credit Security Conditions, and in particular, that the obligation is not an obligation of the Reference Entity;

(iv) for the avoidance of doubt, with respect to any LPN Reference Obligation that specifies an Underlying Loan or an Underlying Finance 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

(v) 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.

(b) Provisions relating to CoCo Supplement

The following provisions shall apply in respect of a Reference Entity if the "CoCo Supplement" is applicable:

(i) If, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, the operation of one or more CoCo Provisions results in (i) a permanent or temporary reduction of the amount of principal payable at redemption or (ii) a conversion of principal into shares or another instrument, such event shall be deemed to constitute a Governmental Intervention falling within paragraph (a) of the definition thereof.

(ii) A CoCo Provision shall be deemed to be a provision which permits a Governmental Intervention for all purposes.

(iii) The following terms shall have the following meanings:

"**Coco Provision**" means, with respect to an Obligation, a provision which requires (i) a permanent or temporary reduction of the amount of principal payable at redemption or (ii) a conversion of principal into shares or another instrument, in each case, if the Capital Ratio is at or below the Trigger Percentage.

"**Trigger Percentage**" means the trigger percentage specified in respect of the Reference Entity (or if no such trigger percentage is specified, 5.25 per cent.).

"**Capital Ratio**" means the ratio of capital to risk weighted assets applicable to the Obligation, as described in the terms thereof in effect from time to time.

11. Restructuring Credit Event

(a) Multiple Credit Event Notices

Upon the occurrence of an M(M)R Restructuring with respect to a Reference Entity:

(i) the Calculation Agent may deliver multiple Credit Event Notices with respect to such M(M)R Restructuring, each such notice setting forth the amount of the relevant Reference Entity Notional Amount to which such notice 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 Security Conditions (including, without limitation, as to the determination of any Auction Settlement Amount, Credit Event Cash Settlement Amount and Loss Amount) shall be deemed to apply to an aggregate Outstanding Notional Amount of Credit Securities equal to the Exercise Amount only and all the provisions shall be construed accordingly; and

(iii) the Exercise Amount in connection with a Credit Event Notice describing an M(M)R 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.

If any Credit Security is subject to partial settlement in accordance with this Credit Security Condition 11, the relevant Credit Security or, if the Credit Securities are represented by a Global Security, such Global Security shall be endorsed to reflect such partial settlement.

(iv) For the avoidance of doubt, in the case of a First-to-Default Credit Security, once a Restructuring Credit Event has occurred in respect of a Reference Entity, no further Credit Event Notices may be delivered in respect of any Reference Entity other than the Reference Entity that was the subject of the first occurring M(M)R Restructuring. In the case of an Nth-to-Default Credit Security, if an M(M)R Restructuring has occurred in respect of the Nth Reference Entity, no further Credit Event Notices may be delivered in respect of any Reference Entity other than the Nth Reference Entity. In the case of a Linear Basket Credit Security (including Nth to Default Linear Basket Credit Securities), the fact that an M(M)R Restructuring has occurred in respect of a Reference Entity shall not preclude delivery of a Credit Event Notice in respect of any other Reference Entity, provided that if in respect of an Nth to Default Linear Basket Credit Security, no Credit Event Notice may be served in respect of a number of Reference Entities exceeding M.

(b) Mod R

If (i) "Physical Settlement" or "Cash Settlement" is specified to be the Settlement Method in the related Final Terms (or is applicable as the Fallback Settlement Method), (ii) "Mod R" is specified as applicable in respect of the Reference Entity and (iii) Restructuring is the only Credit Event specified in a Credit Event Notice, then unless the Deliverable Obligation or, as applicable, Valuation Obligation is a Prior Deliverable Obligation and Asset Package Delivery applies due to a Governmental Intervention, a Deliverable Obligation or, as applicable, Valuation Obligation may only be specified (or deemed specified) in the Notice of Physical Settlement or in any NOPS Amendment Notice or selected by the Issuer to form part of the related Valuation Obligations Portfolio, as applicable, if such Deliverable Obligation or, as applicable, Valuation Obligation:

(A) is a Fully Transferable Obligation; and

(B) has a final maturity date not later than the applicable Restructuring Maturity Limitation Date,

in each case, as of both the NOPS Effective Date and the Delivery Date or, as applicable, as of the Relevant Valuation Date.

(c) Mod Mod R

If (i) "Physical Settlement" or "Cash Settlement" is specified to be the Settlement Method in the related Final Terms (or is applicable as the Fallback Settlement Method), (ii) "Mod Mod R" is specified as applicable in respect of the Reference Entity and (iii) Restructuring is the only Credit Event specified in a Credit Event Notice, then unless the Deliverable Obligation or, as applicable, Valuation Obligation is a Prior Deliverable Obligation and Asset Package Delivery applies due to a Governmental Intervention, a Deliverable Obligation or, as applicable, Valuation Obligation may only be specified (or deemed specified) in the Notice of Physical Settlement or in any NOPS Amendment Notice or selected by the Issuer to form part of the related Valuation Obligations Portfolio, as applicable, if it (A) is a Conditionally Transferable Obligation and (B) has a final maturity date not later than the applicable

Modified Restructuring Maturity Limitation Date, in each case, as of both the NOPS Effective Date and the Delivery Date or, as applicable, as of the Relevant Valuation Date. Notwithstanding the foregoing, for purposes of this paragraph, in the case of a Restructured Bond or Loan with a final maturity date on or prior to the 10-year Limitation Date, the final maturity date of such Bond or Loan shall be deemed to be the earlier of such final maturity date or the final maturity date of such Bond or Loan immediately prior to the relevant Restructuring.

If the relevant Deliverable Obligation specified in the Notice of Physical Settlement (or in any NOPS Amendment Notice, as applicable) or, as applicable, the relevant Valuation Obligation selected, is a Conditionally Transferable Obligation with respect to which consent is required to novate, assign or transfer and the requisite consent 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 or, as applicable, the Relevant Valuation Date (in which case it shall be deemed to have been refused), the Issuer shall, as soon as reasonably practicable, notify the relevant Securityholders of such refusal (or deemed refusal) and:

(i) each such Securityholder may designate a third party (which may or may not be an Affiliate of such Securityholder) to take Delivery of the Deliverable Obligation on its behalf; and

(ii) if a Securityholder 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 Securities for which Delivery has not occurred, by payment of the relevant Partial Cash Settlement Amount to such Securityholder. For the avoidance of doubt Credit Security Condition 7(b) will not apply to this paragraph.

(d) General Terms relating to Mod R and Mod Mod R

For the purposes of making a determination pursuant to "Mod R" and "Mod Mod R", final maturity date shall, subject to Credit Security Condition 11(c) (Mod Mod R), be determined on the basis of the terms of the Deliverable Obligation or, as applicable, Valuation Obligation in effect at the time of making such determination and, in the case of a Deliverable Obligation or, as applicable, Valuation Obligation that is due and payable, the final maturity date shall be deemed to be the date on which such determination is made.

(e) Multiple Holder Obligations

Notwithstanding anything to the contrary in the definition of "Restructuring" and related provisions, if "Multiple Holder Obligation" is applicable the occurrence of, agreement to, or announcement of, any of the events described in sub-paragraph (a)(i) to (a)(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".

12. Miscellaneous Provisions relating to Credit 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 Security Conditions shall (in the absence of manifest error) be final and binding on the Issuer, the Guarantor (if applicable) and the Securityholders. Unless otherwise expressly stated, the Calculation Agent 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 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 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.

(b) Reversal of DC Resolutions

If, where a calculation or determination with respect to the Credit Securities has been made by the Calculation Agent in reliance upon a DC Resolution or otherwise resulted from a DC Resolution, 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, provided that the ISDA public announcement occurs prior to the DC Resolution Reversal Cut-off Date (or where redeemed in part, save 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 remuneration or any reduction in any remuneration or any other amount payable under the Credit Securities. For the avoidance of doubt, no accruals of remuneration shall be taken into account when calculating any such adjustment payment.

(c) Change in Standard Terms and Market Conventions

The Calculation Agent, acting reasonably, may (but shall not be obligated to) modify these Credit Security Conditions from time to time with effect from a date designated by the Calculation Agent to the extent reasonably necessary to ensure consistency with prevailing market standards or market trading conventions, which are, pursuant to the agreement of leading dealers in the credit derivatives market or any relevant ISDA committee, 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 any Hedge Transaction entered into prior to such date or terms thereof. The Calculation Agent shall notify the Issuer and the Securityholders 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, amend, pursuant to this Credit Security Condition 12(c) any of the terms and conditions of the Credit Securities other than the Credit Security Conditions.

In particular, the Calculation Agent may make such modifications as may be necessary to ensure consistency with any successor provisions ("**Successor Provisions**") which are published by ISDA and which supersede the 2014 ISDA Credit Derivatives Definitions, 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 Security Conditions.

This Credit Security Condition 12(c) shall apply unless the related Final Terms specifies that "Change in Standard Terms and Market Conventions" is not applicable.

(d) Delivery of Notices

As soon as reasonably practicable after receiving a Credit Event Notice or Notice of Publicly Available Information from the Calculation Agent, the Issuer shall promptly inform, or shall procure that the Calculation Agent informs the Securityholders in accordance with Security Condition 8 (*Notices*) provided that any failure or delay in giving such notice to Securityholders shall not affect the rights of the Issuer in relation thereto. Resolutions of the Credit Derivatives Determinations Committee are, as of the date hereof, available on ISDA's Credit Derivatives Determinations Committees (dc.isda.org) (or any successor website thereto).

(e) Effectiveness of Notices

Any notice referred to in Credit Security Condition 12(d) 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.

A notice given by telephone by the Issuer or the Calculation Agent will be deemed to have been delivered at the time the telephone conversation takes place.

(f) Excess Amounts

If, on a Business Day, the Calculation Agent reasonably determines that an Excess Amount has been paid to Securityholders on or prior to such day, then following notification of the determination of an Excess Amount to the Issuer and Securityholders in accordance with Security Condition 8 (*Notices*), the Issuer may deduct any such Excess Amount from future payments in relation to the Credit Securities (whether interest or principal) or may reduce the amount of any assets deliverable under the terms of the Credit Securities to the extent that it determines, acting reasonably, to be necessary to compensate for such Excess Amount.

(g) Provisions Relating to Timing

Subject to Credit Security Condition 12(e) and Credit Security Condition 12(h), in order to determine the day on which an event occurs for purposes of the Credit Security Conditions, the demarcation of days shall be made by reference to Greenwich Mean Time (or, if the Transaction Type of the Reference Entity relates to Japan, Tokyo time), irrespective of the time zone in which such event occurred. Any event occurring at midnight shall be deemed to have occurred immediately prior to midnight.

(h) Payment Timing

Notwithstanding the "Credit Event Notice" definition and Credit Security Condition 12(g) *(Provisions Relating to Timing)*, if a payment is not made by the Reference Entity on its due date or, as the case may be, on the final day of the relevant Grace Period, then such failure to make a payment shall be deemed to have occurred on such day prior to midnight Greenwich Mean Time (or, if the Transaction Type of the Reference Entity relates to Japan, Tokyo time), irrespective of the time zone of its place of payment.

(i) Business Day Convention

If the last day of any period calculated by reference to calendar days falls on a day that is not a Business Day, such last day shall be subject to adjustment in accordance with the applicable Business Day Convention; provided that if the last day of any period is the Credit Event Backstop Date or the Successor Backstop Date, such last day shall not be subject to any adjustment in accordance with any Business Day Convention.

(j) No Frustration

In the absence of other reasons, the Credit Securities will not be considered frustrated, or otherwise void or voidable (whether for mistake or otherwise) solely because:

(i) the Reference Entity does not exist on, or ceases to exist on or following, the Trade Date; and/or

(ii) Obligations, Deliverable Obligations or the Reference Obligation do not exist on, or cease to exist on or following, the Trade Date

(k) Rounding

Any amount payable under these Credit Security Conditions shall be rounded downwards to the nearest sub-unit of the relevant currency.

13. Definitions

In these Credit Security Conditions:

"**Accelerated or Matured**" means an obligation under which the principal amount owed, whether by reason of maturity, acceleration, termination or otherwise, is 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.

"**Additional Credit Securities 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 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:

(I) 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

(II) 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 https://ihsmarkit.com/products/red-cds.html.

"**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 Monoline Insurer Reference Entities, as published by ISDA on 15 September 2014; or

(b) any other provisions specified in relation to such Reference Entity.

"**Affected Entity**" has the meaning given to such term in Credit Security Condition 9(d) 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.

"**Aggregate Incurred Recovery Amount**" means, in respect of Tranched Credit Securities and any date, an amount (subject to a minimum of zero) equal to:

(a) the aggregate of any Incurred Recovery Amounts calculated with respect to all Reference Entities up to and including such date; minus

(b) the sum of all Aggregate Unwind Costs (for the avoidance of doubt, without double counting).

"**Aggregate Loss Amount**" means, in respect of Tranched Credit Securities and any date, the aggregate of all Loss Amounts calculated with respect to all Reference Entities up to and including such date.

"**Aggregate Recovery Amount**" means, in respect of Tranched Credit Securities and any date, the aggregate of all Recovery Amounts calculated with respect to all Reference Entities up to and including such date.

"**Aggregate Unwind Costs**" has the meaning given to such term in the definition of "Credit Unwind Costs".

"**Asset**" means each obligation, equity, amount of cash, security, fee (including any "early-bird" or other consent fee), right and/or other asset, whether tangible or otherwise and whether issued, incurred, paid or provided by the Reference Entity or a third party (or any value which was realized or capable of being realized in circumstances where the right and/or other asset no longer exists).

"**Asset Market Value**" means the market value of an Asset, as the Calculation Agent shall determine by reference to an appropriate specialist valuation or in accordance with the methodology determined by the Credit Derivatives Determinations Committee.

"**Asset Package**" means, in respect of an Asset Package Credit Event, all of the Assets in the proportion received or retained by a Relevant Holder in connection with such relevant Asset Package Credit Event (which may include the Prior Deliverable Obligation or Package Observable Bond, as the case may be). If the Relevant Holder is offered a choice of Assets or a choice of combinations of Assets, the Asset Package will be the Largest Asset Package. If the Relevant Holder is offered, receives and retains nothing, the Asset Package shall be deemed to be zero.

"**Asset Package Credit Event**" means:

(a) if "Financial Reference Entity Terms" and "Governmental Intervention" are specified as applicable in respect of the Reference Entity:

(i) a Governmental Intervention; or

(ii) a Restructuring in respect of the Reference Obligation, if "Restructuring" is specified as applicable in respect of the Reference Entity and such Restructuring does not constitute a Governmental Intervention; and

(b) if the Reference Entity is a Sovereign and "Restructuring" is specified as applicable in respect of the Reference Entity, a Restructuring,

in each case, whether or not such event is specified as the applicable Credit Event in the Credit Event Notice or the DC Credit Event Announcement.

"**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 Reference Entity or the guarantor, if any, of such Loan (or the consent of the applicable borrower if the 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.

"**Attachment Point**" means, in respect of Tranched Credit Securities, the value specified as such in the Final Terms.

"**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 Issuer 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, an amount in the Settlement Currency as determined by the Calculation Agent in accordance with the formula below:

$$\text{Auction Settlement Amount} = \text{Max}\,(PP, \text{Max}\,[0, \text{Min}\,(A, [(A \times B) - C])])$$

where:

"**A**" means the Reference Entity Notional Amount;

"**B**" means the relevant Auction Final Price;

"**C**" means the Credit Unwind Costs (unless the Final Terms specify that Credit Unwind Costs are not applicable, in which event "**C**" means zero); and

"**PP**" means the Principal Protection Level specified in the Final Terms multiplied by the Reference Entity Notional Amount.

"**Auction Settlement Amount Notice**" means a notice given by the Issuer to the Calculation Agent and the Securityholders in accordance with Security Condition 8 (*Notices*), on or prior to the date which is 65 Business Days following the Final List Publication Date (or, if later, the Movement Option Cut-off Date) specifying:

(a) the Transaction Auction Settlement Terms or Parallel Auction Settlement Terms which the Issuer has elected to apply to the Credit Securities (provided that the Issuer may only elect to apply any Parallel Auction Settlement Terms (for purposes of which all Deliverable Obligations (as defined in respect of the Final List) on the Final List will be Permissible Deliverable Obligations) in the circumstances set out in sub-paragraph (b) or (c)(ii) of the definition of "No Auction Announcement Date"); and

(b) the Auction Settlement Amount.

"**Auction Settlement Date**" means the date that is three Business Days following delivery by the Issuer of the Auction Settlement Amount Notice to the Calculation Agent and the Securityholders in accordance with Security Condition 8 (*Notices*) (or, if Credit Security Condition 2(b) is specified not to be applicable in the Final Terms or if the Final Price is specified in the Final Terms, the date falling fifteen Credit Security Business Days following the date of the relevant DC Credit Event Announcement).

"**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, scheme or composition with or for the benefit of its creditors generally, or such a general assignment, arrangement, scheme or composition becomes effective;

(d) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other similar relief under any bankruptcy or insolvency law or other 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 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.

"**Basket Credit Securities**" means any Credit Securities specified as such in the applicable Final Terms, in respect of which the relevant Issuer purchases credit protection in respect of two or more Reference Entities.

"**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.

"**Bonus Remuneration Attachment Point**" means the amount specified as such in the Final Terms.

"**Bonus Remuneration Credit Securities**" means any Credit Securities specified as such in the applicable Final Terms.

"**Bonus Remuneration Day Count Fraction**" means the relevant day count fraction specified in the relevant Final Terms, and to be read as though the terms relating to Day Count Fraction apply thereto;

"**Bonus Remuneration Detachment Point**" means the amount specified as such in the Final Terms.

"**Bonus Remuneration Determination Date**" means the date specified in the Final Terms, or if not specified, the relevant Final Price Calculation Date.

"**Bonus Remuneration Implicit Portfolio Size**" means the amount specified as such in the Final Terms.

"**Bonus Remuneration Payment Date(s)**" means the dates specified as such in the Final Terms.

"**Bonus Remuneration Writedown Rate**" means, in respect of an Event Determination Date relating to a Reference Entity, the Incurred Loss Amount (if any) divided by the initial Notional Amount (the Incurred Loss Amount for such purpose only, to be determined as though the Attachment Point, Detachment Point and Implicit Portfolio Size were respectively references to the Bonus Remuneration Attachment Point, Bonus Remuneration Detachment Point and Bonus Remuneration Implicit Portfolio Size and further assuming that for such purpose, references in the definitions of Incurred Loss Amount and, if Incurred Recoveries are specified as applicable in the Final Terms, to Outstanding Notional Amount is to the initial Notional Amount multiplied by the Outstanding Bonus Remuneration Rate).

"**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 Business Day 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 (or, if Credit Security Condition 2(b) (*Settlement following Event Determination Date)* is specified not to be applicable in the Final Terms or if the Final Price is specified in the Final Terms, the date falling fifteen Credit Security Business Days following the date of the relevant DC Credit Event Announcement).

"**Change in Law**" means that, on or after the Trade Date (as specified in the Final Terms) (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law, solvency, regulatory 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 authority or financial authority), or the combined effect thereof if occurring more than once, the Issuer determines that:

(a) it is unable to perform its obligations in respect of the Credit Securities or it has become illegal to hold, acquire or dispose of any relevant hedge positions in respect of the Credit Securities; or

(b) it or any of its Affiliates would incur a materially increased cost (including, without limitation, in respect of any tax, solvency, regulatory or capital requirements) in maintaining the Credit Securities in issue or in holding, acquiring or disposing of any relevant hedge positions of the Credit Securities.

"**CoCo Supplement**" means the 2014 CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions, as published by ISDA on 15 September 2014.

"**Combination Credit Securities**" means any Credit Security specified as such in the Final Terms.

"**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, in each case, as of both the NOPS Effective Date and the Delivery Date or, as applicable, as of the Relevant Valuation Date, 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 the 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".

"**Conforming Reference Obligation**" means a Reference Obligation which is a Deliverable Obligation determined in accordance with paragraph (a) of the definition of "Deliverable Obligation".

"**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 the 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.

"**Credit Derivatives Auction Settlement Terms**" means, in relation to any Reference Entity, the Credit Derivatives Auction Settlement Terms published by ISDA, with respect to the relevant Reference Entity, a form of which will be published by ISDA on its Credit Derivatives Determinations Committees website at dc.isda.org (or any successor website thereto) from time to time and as may be amended from time to time.

"**Credit Derivatives Definitions**" means the 2014 ISDA Credit Derivatives Definitions, as published by ISDA, and, in addition, if Additional Provisions are specified to be applicable with respect to the Credit Securities in the Final Terms, as supplemented by the Additional Provisions.

"**Credit Derivatives Determinations Committee**" means each committee established pursuant to the Rules 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, Restructuring or Governmental Intervention 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 the 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 or, if so specified in the Final Terms, the Issue Date or such other date specified in the Final Terms. 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:

$$\text{Credit Event Cash Settlement Amount} = \text{Max}\ (PP, \text{Max}\ [0, \text{Min}\ (A, [(A \times B) - C]))]$$

where:

"**A**" means the Reference Entity Notional Amount;

"**B**" means the Weighted Average Final Price, or if so specified in the Final Terms, the Final Price or such other price specified therein;

"**C**" means the Credit Unwind Costs (unless the Final Terms specify that Credit Unwind Costs are not applicable, in which event "**C**" means zero); and

"**PP**" means the Principal Protection Level specified in the Final Terms multiplied by the Reference Entity Notional Amount.

"**Credit Event Notice**" means an irrevocable notice from the Calculation Agent (which may be in writing (including by facsimile and/or email and/or by telephone)) to the Issuer that describes a Credit Event that occurred on or after the Credit Event Backstop Date and on or prior to the Extension Date.

Any Credit Event Notice that describes a Credit Event that occurred after the Credit Observation Period End Date must relate to the relevant Potential Failure to Pay, in the case of a Grace Period Extension Date, or the relevant Potential Repudiation/Moratorium, in the case of a Repudiation/Moratorium Evaluation Date.

A Credit Event Notice that describes a Credit Event other than an M(M)R Restructuring must be in respect of the full Reference Entity Notional Amount.

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 Observation Period End Date**" means the date, if any, specified as such in the Final Terms or, if no such date is specified, the Scheduled Settlement Date.

"**Credit Event Resolution Request Date**" means, with respect to a DC Credit Event Question, the date as publicly announced by the DC Secretary that the relevant Credit Derivatives Determinations Committee Resolves to be the date on which the DC Credit Event Question was effective and on which the relevant Credit Derivatives Determinations Committee was in possession of Publicly Available Information with respect to such DC Credit Event Question.

"**Credit Securities**" means Certificates linked to the credit of a specified entity or entities.

"**Credit Security Business Day**" means, in respect of any Reference Entity, (a)(i) 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 with respect to such Reference Entity, and/or (ii) a TARGET Settlement Day (if "TARGET" or "TARGET Settlement Day" is specified with respect to such Reference Entity), or (b) if a place or places or such terms are not so specified, (i) if the related Reference Entity Notional Amount is denominated in the euro, a TARGET Settlement Day, or (ii) otherwise, a day on which commercial banks and foreign exchange markets are generally open to settle payments in the principal financial city in the jurisdiction of the currency of denomination 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 Calculation Agent or its Affiliate and a Securityholder or its Affiliate or as may otherwise be specified in the Final Terms.

"**Credit Security Settlement Date**" means either:

(a) the Scheduled Settlement Date; or

(b) where an Extension Notice in relation to a Reference Entity is delivered by the Calculation Agent to the Issuer at or prior to 11:00 a.m. (London time) on the date falling two London Business Days prior to the Scheduled Settlement Date, the date falling two Business Days after the latest to occur of the expiry of the Notice Delivery Period, the expiry of the Post Dismissal Additional Period or the latest date on which it would be possible for the Calculation Agent or the Issuer to deliver a Credit Event Notice under paragraph (b)(i)(B) or (b)(ii) of the definition of "Event Determination Date".

"**Credit Unwind Costs**" means the amount specified in the Final Terms or if "Standard Unwind Costs" are specified in the Final Terms (or in the absence of such specification), an amount (such amount prior to any apportionment *pro rata*, the "**Aggregate Unwind Costs**"), subject to a minimum of zero, determined by the Calculation Agent equal to the sum of (without duplication) all costs, expenses (including loss of funding), tax and duties incurred by the Issuer in connection with the exercise, settlement, cancellation and/or termination of the Credit Securities (and/or the reduction in the Outstanding Notional Amount thereof) and the related termination, settlement or re-establishment of any Hedge Transaction, such amount to be apportioned *pro rata* amongst the outstanding principal amount outstanding of each Credit Security.

"**Currency Amount**" means with respect to:

(a) a Deliverable Obligation specified in a Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, 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 any NOPS Amendment Notice, as applicable, 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, as the Calculation Agent shall determine in a commercially reasonable manner; 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 Announcement Coverage Cut-off Date**" means, with respect to a DC Credit Event Announcement, the Auction Final Price Determination Date, the Auction Cancellation Date, or the date that is 21 calendar days following the No Auction Announcement Date, if any, as applicable.

"**DC Credit Event Announcement**" means, with respect to a Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Credit Event has occurred on or after the Credit Event Backstop Date and on or prior to the Extension Date, provided that if the Credit Event occurred after the Credit Observation Period End Date, the DC Credit Event Announcement must relate to the relevant Potential Failure to Pay, in the case of a Grace Period Extension Date, or the relevant Potential Repudiation/Moratorium, in the case of a Repudiation/Moratorium Evaluation Date.

"**DC Credit Event Meeting Announcement**" means, with respect to the Reference Entity, a public announcement by the DC Secretary that a Credit Derivatives Determinations Committee will be convened to Resolve the matters described in a DC Credit Event Question.

"**DC Credit Event Question**" means a notice to the DC Secretary requesting that a Credit Derivatives Determinations Committee be convened to Resolve whether an event that constitutes a Credit Event has occurred.

"**DC Credit Event Question Dismissal**" means, with respect to the Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved not to determine the matters described in a DC Credit Event Question.

"**DC No Credit Event Announcement**" means, with respect to the Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has

Resolved that an event that is the subject of a DC Credit Event Question does not constitute a Credit Event.

"**DC Resolution**" has the meaning given to that term in the Rules.

"**DC Resolution Reversal Cut-off Date**" means the earliest to occur of the Auction Final Price Determination Date, a Valuation Date, a Physical Settlement Date, a Delivery Date, the Credit Security Settlement Date or other settlement date of the Credit Securities or the date on which instructions are given by or on behalf of the Issuer for any such settlement or any date, as determined by the Calculation Agent acting in a commercially reasonable manner, of termination, settlement, replacement or re-establishment in whole or in part of any Hedge Transaction (or entry into a binding commitment in respect of any of the foregoing) by or on behalf of the Issuer and/or any of its Affiliates (following the occurrence of an Event Determination Date or in reliance on a prior DC Resolution), as applicable.

"**DC Secretary**" has the meaning given to that term in the Rules. At the date hereof, ISDA is the DC Secretary.

"**Deemed Remuneration Reduction**" has the meaning given to such term in Credit Security Condition 5(iv).

"**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 no such amount is specified, 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:

(a) to deliver, novate, transfer (including, in the case of a Guarantee, transfer of the benefit of the 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 (or, with respect to Deliverable Obligations where only equitable title is customarily conveyed, all equitable 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 Securityholders, as the case may be, free and clear of any and all liens, charges, claims or encumbrances (excluding any liens routinely imposed on all securities in a relevant clearance system, but including, without limitation, any counterclaim, defence (other than a counterclaim or defence based on the factors set forth in the definition of "Credit Event") or right of set-off by or of the Reference Entity or any applicable Underlying Obligor) provided that (i) if a Deliverable Obligation is a Direct Loan Participation, "Deliver" means to create (or procure the creation of) a participation in favour of the Issuer or the Securityholders, as the case may be, and (ii) if a Deliverable Obligation is a Guarantee, "Deliver" means to Deliver both the Underlying Obligation and the Guarantee, provided further that if the Guarantee has a Fixed Cap, (A) "Deliver" means to

Deliver the Underlying Obligation, the Guarantee and all claims to any amounts which are subject to such Fixed Cap and (B) those claims shall be deemed to be Deliverable Obligations). "**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, provided further that the Issuer and each Securityholder agrees to comply with the provisions of any documentation (which shall 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 agrees, and each Securityholder is deemed to further agree, that compliance by the Issuer 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 neither the Issuer nor any Securityholder shall be permitted to request that any party take nor shall the Issuer or any Securityholder be required to take, any action or make any payment in connection with such Delivery, as applicable, unless otherwise contemplated by such documentation.

(b) If Asset Package Delivery applies, (i) Delivery of a Prior Deliverable Obligation or a Package Observable Bond specified in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable, may be satisfied by Delivery of the related Asset Package, and such Asset Package shall be treated as having the same currency, Outstanding Principal Balance or Due and Payable Amount, as applicable, as the Prior Deliverable Obligation or Package Observable Bond to which it corresponds had immediately prior to the Asset Package Credit Event, (ii) paragraph (a) of the definition of "Deliver" and the relevant provisions on delivery shall be deemed to apply to each Asset in the Asset Package provided that if any such Asset is not a Bond, it shall be treated as if it were a Loan for these purposes, (iii) if the Asset Package is zero, the Outstanding Amount of the Prior Deliverable Obligation or Package Observable Bond shall be deemed to have been Delivered in full three Business Days following the date on which the Issuer or Calculation Agent (on its behalf) has notified the Securityholders of the detailed description of the Asset Package that it intends to Deliver in accordance with the definition of "Notice of Physical Settlement", (iv) the Issuer may satisfy its obligation to make Delivery of the Prior Deliverable Obligation or Package Observable Bond in part by Delivery of each Asset in the Asset Package in the correct proportion and (v) if the relevant Asset is a Non-Transferable Instrument or Non-Financial Instrument, the Asset shall be deemed to be an amount of cash equal to the Asset Market Value.

"**Deliverable Obligation**" means:

(a) any obligation of the relevant Reference Entity (either directly or as provider of a Relevant Guarantee) determined pursuant to the Method for Determining Deliverable Obligations;

(b) the Reference Obligation;

(c) solely in relation to a Restructuring Credit Event applicable to a Reference Entity which is a Sovereign, and unless Asset Package Delivery is applicable, any Sovereign Restructured Deliverable Obligation; and

(d) if Asset Package Delivery is applicable, any Prior Deliverable Obligation (if "Financial Reference Entity Terms" is specified as applicable in respect of the Reference Entity) or any Package Observable Bond (if the Reference Entity is a Sovereign),

in each case, (i) unless it is an Excluded Deliverable Obligation and (ii) provided that the obligation has an Outstanding Principal Balance or Due and Payable Amount that is greater than zero (determined for purposes of paragraph (d), immediately prior to the relevant Asset Package Credit Event).

For purposes of the "**Method for Determining Deliverable Obligations**", the term "Deliverable Obligation" may be defined as each obligation of the Reference Entity described by the Deliverable Obligation Category specified in respect of the Reference Entity, and, subject to Credit Security Condition 8 (*Provisions relating to Obligation Category and Characteristics and Deliverable Obligation Category and Characteristics*), having each of the Deliverable Obligation Characteristics, if any, specified in respect of the Reference Entity, in each case, as of both the NOPS Effective Date and the Delivery Date (unless otherwise specified).

"**Deliverable Obligation Category**" means one of Payment, Borrowed Money, Reference Obligation 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 Obligation 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 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 or an Asset Package, the date on which such Deliverable Obligation or Asset Package is Delivered (or deemed Delivered under paragraph (b)(iii) of the definition of "Deliver").

"**Detachment Point**" means, in respect of Tranched Credit Securities, the value specified as such in the Final Terms.

"**Direct Loan Participation**" means a Loan in respect of which, pursuant to a participation agreement, the Issuer is capable of creating, or procuring the creation of, a contractual right in favour of each Securityholder that provides each Securityholder 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 each Securityholder and either:

(a) the Issuer or the Guarantor (as applicable) (in either case, to the extent that the Issuer or the Guarantor (as applicable), 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).

"**Distribution End Date**" means the date specified as such in the Final Terms.

"**Distribution Period Event Determination Date**" means, in respect of Basket Credit Securities and any Reference Entity, the occurrence of an Event Determination Date with respect to such Reference Entity prior to the Distribution End Date.

"**Domestic Currency**" means the currency specified as such in relation to a Reference Entity and any successor currency thereto. 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.

"**Domestic Law**" means each of the laws of (a) the Reference Entity, if such Reference Entity is a Sovereign, or (b) the jurisdiction in which the Reference Entity is organized, if such Reference Entity is not a Sovereign.

"**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 by the Reference Entity under the obligation whether by reason of maturity, acceleration, termination or otherwise (excluding sums in respect of default interest, indemnities, tax gross-ups and other similar amounts) less all or any portion

of such amount which, pursuant to the terms of the obligation (a) is subject to any Prohibited Action, or (b) may otherwise be reduced as a result of the effluxion of time or the occurrence or non-occurrence of an event or circumstance (other than by way of (i) payment or (ii) a Permitted Contingency), in each case, determined in accordance with the terms of the obligation in effect on either (A) the NOPS Effective Date (or if the terms of the obligation are amended after such date but on or prior to the Delivery Date, the Delivery Date) or (B) the Relevant Valuation Date, as applicable.

"**Eligible Information**" means information which is publicly available or which can be made public without violating any law, agreement, understanding or other restriction regarding the confidentiality of such information.

"**Eligible Transferee**" means each of the following:

(a) any:

(i) bank or other financial institution;

(ii) insurance or reinsurance company;

(iii) mutual fund, unit trust or similar collective investment vehicle (other than an entity described in sub-paragraph (c)(i) below); and

(iv) 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 USD 500,000,000;

(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 collateralized debt obligations, commercial paper conduit or other special purpose vehicle) that (I) has total assets of at least USD 100,000,000 or (II) is one of a group of investment vehicles under common control or management having, in aggregate, total assets of at least USD 100,000,000:

(ii) that has total assets of at least USD 500,000,000; 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 paragraphs (a), (b), (c)(ii) or (d) hereof; and

(d) any:

(i) Sovereign; or

(ii) entity or organization established by treaty or other arrangement between two or more Sovereigns including, without limiting the foregoing, the International Monetary Fund, European Central Bank, International Bank for Reconstruction and Development and European Bank for Reconstruction and Development,

All references in this definition to U.S.$ or USD include equivalent amounts in other currencies, as determined by the Calculation Agent.

"**Event Determination Date**" means, in respect of any Credit Event:

(a) subject to sub-paragraph (b) below, the Notice Delivery Date, if the Notice Delivery Date occurs during either the Notice Delivery Period or the Post Dismissal Additional Period, provided that neither a DC Credit Event Announcement nor a DC No Credit Event Announcement has occurred, in each case, with respect to the Credit Event specified in the Credit Event Notice; or

(b) save in respect of an M(M)R Restructuring Credit Event and notwithstanding sub-paragraph (a) above, if a DC Credit Event Announcement has occurred and the Credit Event Resolution Request Date has occurred on or prior to the last day of the Notice Delivery Period (including prior to the Trade Date), either:

(i) the Credit Event Resolution Request Date, if either:

A. (I) the Credit Event is not an M(M)R Restructuring; and

(I) the Trade Date occurs on or prior to a DC Announcement Coverage Cut-off Date; or

B. (I) the Credit Event is an M(M)R Restructuring; and

(I) a Credit Event Notice is delivered by the Calculation Agent to the Issuer on or prior to the Exercise Cut-off Date; or

(ii) the first date on which a Credit Event Notice is delivered by the Calculation Agent to the Issuer during either the Notice Delivery Period or the period from and including the date of the DC Credit Event Announcement to and including the date that is 15 Business Days thereafter,

provided that:

(i) no Physical Settlement Date or Cash Settlement Date (as applicable) has occurred on or prior to the date on which the DC Credit Event Meeting Announcement occurs;

(ii) if any Valuation Date or Delivery Date, as applicable, has occurred on or prior to the date on which the DC Credit Event Meeting 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

(iii) no Credit Event Notice specifying an M(M)R Restructuring as the only Credit Event has previously been delivered by the Calculation Agent to the Issuer:

A. unless the M(M)R Restructuring specified in such Credit Event Notice is also the subject of the DC Credit Event Question resulting in the occurrence of the Credit Event Resolution Request Date;

B. 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; or

C. unless the Notional Credit Derivative Transaction is an Auction Covered Transaction and the Deliverable Obligations set out on the Final List are identical to the Permissible Deliverable Obligations for such Notional Credit Derivative Transaction.

No Event Determination Date will occur with respect to an event, 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 DC Resolution Reversal Cut-off Date.

Where the Credit Securities are Basket Credit Securities, Tranched Credit Securities or Nth-to-Default Credit Securities and an Event Determination Date occurs with respect to more than one Reference Entity on the same day, the Calculation Agent shall determine the order in which such Event Determination Dates occurred acting in good faith and in a reasonable manner.

"**Excess Amount**" means any amount paid to the Securityholders but which was not due on the Credit Securities, as a result of the occurrence of a DC Credit Event Announcement, Event Determination Date or Credit Event Resolution Request Date on or around the date on which the amount in question would otherwise have been required to be paid or as a result of any Writedown Amount not having been taken into account.

"**Excluded Deliverable Obligation**" means:

(a) any obligation of the Reference Entity specified as such or of a type described in the related Final Terms;

(b) any principal only component of a Bond from which some or all of the interest components have been stripped; and

(c) if Asset Package Delivery is applicable, any obligation issued or incurred on or after the date of the relevant Asset Package Credit Event.

"**Excluded Obligation**" means:

(a) any obligation of the Reference Entity specified as such or of a type described in the related Final Terms;

(b) if "Financial Reference Entity Terms" is specified as applicable in respect of the Reference Entity and the Reference Entity is a Senior Transaction, then for purposes of determining whether a Governmental Intervention or Restructuring has occurred, any Subordinated Obligation; and

(c) if "Financial Reference Entity Terms" is specified as applicable in respect of the Reference Entity and the Reference Entity is a Subordinated Transaction, then for purposes of determining whether a Governmental Intervention or Restructuring has occurred, any Further Subordinated Obligation.

"**Exercise Amount**" has the meaning given to it in Credit Security Condition 11(a)(i).

"**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) 15 Credit Security Business Days following the No Auction Announcement Date, if any,

or such later date as the relevant Credit Derivatives Determinations Committee Resolves.

"**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 or Original Loans (or Assets which form part of the Asset Package intended to be Delivered in lieu of a Prior Deliverable Obligation or Package Observable Bond (the "**Original Assets**"), or any other Deliverable Obligations in lieu thereof), may not be received by the Issuer and/or any of its Affiliates on or before the Extended Physical Settlement Date but the Issuer 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 or Original Assets or any other Deliverable Obligations 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 or Original Assets or any other Deliverable Obligations 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; and

(b) in the case of a Non-Capped Reference Entity, such date as the Calculation Agent may select, 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 selection, such 120th Credit Security Business Day.

"**Extension Date**" means the latest of:

(a) the Credit Observation Period End Date;

(b) the Grace Period Extension Date if:

(i) "Failure to Pay" and "Grace Period Extension" are specified as applicable in relation to any Reference Entity;

(ii) the Potential Failure to Pay with respect to the relevant Failure to Pay occurs on or prior to the Credit Observation Period End Date; and

(iii) an Extension Notice is delivered under sub-paragraph (b) of the definition thereof;

(c) the Repudiation/Moratorium Evaluation Date (if any) if:

(i) Repudiation/Moratorium is specified as applicable in relation to any Reference Entity; and

(ii) an Extension Notice is delivered under sub-paragraph (c) of the definition thereof.

"**Extension Notice**" means a notice from the Calculation Agent to the Issuer giving notice 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 Credit Observation Period End Date; or

(b) that a Potential Failure to Pay has occurred or may occur on or prior to the Credit Observation Period End Date; or

(c) that a Potential Repudiation/Moratorium has occurred or may occur on or prior to the Credit Observation Period End Date; 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.

If an occurrence that would constitute a Failure to Pay (a) is a result of a redenomination that occurs as a result of action taken by a Governmental Authority which is of general application in the jurisdiction of such Governmental Authority and (b) a freely available market rate of conversion existed at the time of the redenomination, then such occurrence will be deemed not to constitute a Failure to Pay unless the redenomination itself constituted a reduction in the rate or amount of interest, principal or premium payable (as determined by reference to such freely available market rate of conversion) at the time of such redenomination.

"**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) or (c)(ii) of the definition thereof, the Issuer has not delivered an Auction Settlement Amount Notice specifying an applicable Parallel Auction Settlement Terms on or prior to the Movement Option Cut-off Date);

(c) a DC Credit Event Question Dismissal occurs; or

(d) 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 three 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:

(a) the price specified in the Final Terms as being the Final Price with respect to a Reference Entity; or

(b) the price of the Reference Obligation or, as applicable, any Valuation Obligation, Deliverable Obligation or Undeliverable Obligation expressed as a percentage of its Outstanding Principal Balance or Due and Payable Amount (or, as the case may be, the Outstanding Amount of the relevant Prior Deliverable Obligation or Package Observable Bond immediately prior to the Asset Package Credit Event), as applicable, determined in accordance with:

(i) the highest Quotation obtained by the Calculation Agent (or otherwise in accordance with the definition of "Quotation") with respect to the Relevant Valuation Date (or, in the case of a relevant Asset other than Borrowed Money and other than a Non-Transferable Instrument or Non-Financial Instrument, such other market value of the relevant Asset as may be determined by the Calculation Agent in a commercially reasonable manner); or

(ii) if the relevant Asset is a Non-Transferable Instrument or Non-Financial Instrument, the relevant Asset Market Value.

For the avoidance of doubt, if the Asset Package is or is deemed to be zero, the Final Price shall be zero. If the Final Price is specified in the Final Terms, the Final Price shall be the amount so specified.

"**Final Price Calculation Date**" means an Auction Final Price Determination Date or, as the case may be, the date on which the Weighted Average Final Price or (as applicable) the Final Price is determined in respect of a particular Credit Event and the relevant Reference Entity or, in the case of Zero Recovery Credit Securities, the relevant Event Determination Date.

"**Final Settlement Date**" means the 10th Business Day following the latest to occur of the Final Price Calculation Dates in respect of the Reference Entities.

"**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).

"**Fixed Cap**" means, with respect to a Guarantee, a specified numerical limit or cap on the liability of the Reference Entity in respect of some or all payments due under the Underlying Obligation, provided that a Fixed Cap shall exclude a limit or cap determined by reference to a formula with one or more variable inputs (and for these purposes, the outstanding principal or other amounts payable pursuant to the Underlying Obligation shall not be considered to be variable inputs).

"**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 or Due and Payable Amount, as applicable) 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 or Due and Payable Amount, as applicable, 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, in each case, as of both the NOPS Effective Date and the Delivery Date or, as applicable, the Relevant Valuation Date. 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".

"**Further Subordinated Obligation**" means, if the Reference Obligation or Prior Reference Obligation, as applicable, is a Subordinated Obligation, any obligation which is Subordinated thereto.

"**Governmental Authority**" means (i) any *de facto* or *de jure* government (or any agency, instrumentality, ministry or department thereof); (ii) any court, tribunal, administrative or other governmental, inter-governmental or supranational body; (iii) any authority or any other entity (private or public) either designated as a resolution authority or charged with the regulation or supervision of the financial markets (including a central bank) of the Reference Entity or some or of all of its obligations; or (iv) any other authority which is analogous to any of the entities specified in (i) to (iii).

"**Governmental Intervention**" 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 as a result of action taken or an announcement made by a Governmental Authority pursuant to, or by means of, a restructuring and resolution law or regulation (or any other similar law or regulation), in each case, applicable to the Reference Entity in a form which is binding, irrespective of whether such event is expressly provided for under the terms of such Obligation:

(i) any event which would affect creditors' rights so as to cause:

A. a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);

B. a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);

C. a postponement or other deferral of a date or dates for either (I) the payment or accrual of interest, or (II) the payment of principal or premium; or

D. a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation;

(ii) an expropriation, transfer or other event which mandatorily changes the beneficial holder of the Obligation;

(iii) a mandatory cancellation, conversion or exchange; or

(iv) any event which has an analogous effect to any of the events specified in (a)(i) to (a)(iii) above.

(b) For purposes of (a) above, the term Obligation shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Guarantee.

"**Grace Period**" means:

(a) subject to sub-paragraphs (b) and (c), the applicable grace period with respect to payments under and in accordance with 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 Credit Observation Period End Date and the applicable grace period cannot, by its terms, expire on or prior to the Credit Observation Period End Date, the Grace Period shall be deemed to be the lesser of such grace period and the period specified as such in the 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 as applicable in relation to the relevant Reference Entity, such deemed Grace Period shall expire no later than the Credit Observation Period End Date.

"**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 or if a place or places are not so specified, (a) if the Obligation Currency is the euro, a TARGET Settlement Day, or (b) otherwise, a day on which commercial banks and foreign exchange markets are generally open to settle payments in the principal financial city 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; and

(b) a Potential Failure to Pay occurs on or prior to the Credit Observation Period End Date,

the date that is the number of days in the Grace Period after the date of such Potential Failure to Pay. If "Grace Period Extension" is not specified as applicable in relation to a Reference Entity, Grace Period Extension shall not apply.

"**Guarantee**" means a Relevant Guarantee or a guarantee which is the Reference Obligation.

"**Hedge Disruption Event**" means the Issuer 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 Issuer and/or any of its Affiliates to hedge, directly or indirectly, the Issuer's obligations or positions (whether in whole or in part) in respect of the Credit Securities.

"**Hedging Disruption**" means that the Issuer, the Guarantor, if applicable, and/or any of their respective Affiliates is unable, after using commercially reasonable efforts, or is no longer permitted pursuant to its internal policies in relation to dealings with sanctioned entities or territories 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 Credit Securities, 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 Credit Securities.

"**Implicit Portfolio Size**" means an amount equal to the aggregate Notional Amount as at the Issue Date divided by the Tranche Size.

"**Incurred Loss Amount**" means, with respect to a Reference Entity and a Final Price Calculation Date, an amount calculated on such Final Price Calculation Date equal to the lowest of:

(a) the Loss Amount;

(b) the Aggregate Loss Amount (including the related Loss Amount for that Reference Entity and Final Price Calculation Date) minus the Loss Threshold Amount on such Final Price Calculation Date (following any adjustments thereto on such date), subject to a minimum of zero; and

(c) the Outstanding Notional Amount (prior to any reduction thereto in respect of that Reference Entity and Final Price Calculation Date).

"**Incurred Recovery Amount**" means, with respect to a Reference Entity and a Final Price Calculation Date, an amount calculated on such Final Price Calculation Date equal to the lowest of:

(a) the Recovery Amount;

(b) the Aggregate Recovery Amount (including the related Recovery Amount for that Reference Entity and Final Price Calculation Date) minus the Recovery Threshold Amount on such Final Price Calculation Date (following any adjustments thereto on such date), subject to a minimum of zero; and

(c) the Outstanding Notional Amount (prior to any reduction thereto in respect of that Reference Entity and Final Price Calculation Date).

"**Increased Cost of Hedging**" means that the Issuer, the Guarantor (if applicable) and/or any of their respective Affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the market risk (including, without limitation, equity price risk, foreign exchange risk and interest rate risk) of the Issuer or the Guarantor, (if applicable), issuing and performing its obligations with respect to the Credit 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 Issuer, the Guarantor, (if applicable) and/or any of their respective Affiliates shall not be deemed an Increased Cost of Hedging.

"**Index Sponsor**" means, in respect of a Relevant Annex, the index sponsor (if any) specified as such in the Final Terms.

"**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).

"**Largest Asset Package**" means, in respect of a Prior Deliverable Obligation or a Package Observable Bond, as the case may be, the package of Assets for which the greatest amount of principal has been or will be exchanged or converted (including by way of amendment), as determined by the Calculation Agent by reference to Eligible Information. If this cannot be determined, the Largest Asset Package will be the package of Assets with the highest immediately realizable value, determined by the Calculation Agent in accordance with the methodology, if any, determined by the relevant Credit Derivatives Determinations Committee.

"**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 a Potential Cash Settlement Event in respect of a Deliverable Obligation comprised of Loans where "Partial Cash Settlement of Consent Required Loans", "Partial Cash Settlement of Assignable Loans" or "Partial Cash Settlement of Participations" is specified as applicable in respect of the relevant Reference Entity, the date that is 15

Credit Security Business Days after the Physical Settlement Date, or, in respect of any other Potential Cash Settlement Event, 30 calendar days following the Physical Settlement Date.

"**Legacy Reference Entity**" has the meaning given to such term in Credit Security Condition 9(c)(ii) above.

"**Limitation Date**" means, in respect of a Credit Event that is an M(M)R Restructuring, the first of March 20, June 20, September 20 or December 20 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, 7.5 years, 10 years (the "**10-year Limitation Date**"), 12.5 years, 15 years or 20 years, as applicable. Limitation Dates shall not be subject to adjustment in accordance with any Business Day Convention.

"**Linear Basket Credit Securities**" mean Credit Securities which are specified as such in the applicable Final Terms, in respect of which the Issuer purchases credit protection in respect of two or more Reference Entities and pursuant to which, on each occasion on which an Event Determination Date occurs with respect to any of the Reference Entities, the Credit Securities will be settled in part in accordance with Credit Security Condition 2 (*Settlement*). Linear Basket Credit Securities include Nth-to Default Linear Basket Credit Securities which have become Linear Basket Credit Securities pursuant to the definition of "Nth-to-Default Linear Basket Credit Securities".

"**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 Listed Deliverable Obligation Characteristic 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.

"**Loss Amount**" means, in respect of Tranched Credit Securities, a Reference Entity and a Final Price Calculation Date, an amount calculated on that Final Price Calculation Date equal to:

(a) 100 per cent., minus unless the Credit Securities are Zero Recovery Credit Securities, either (i) the Auction Final Price or (ii) if Cash Settlement applies, the Weighted Average Final Price (or, if so specified in the Final Terms, the Final Price or such other price specified therein) for that Reference Entity as of such Final Price Calculation Date; multiplied by

(b) the Reference Entity Notional Amount for that Reference Entity, as at the relevant Event Determination Date,

subject to a minimum of zero.

"**Loss Threshold Amount**" means, in respect of Tranched Credit Securities, an amount equal to the Implicit Portfolio Size multiplied by the Attachment Point.

"**LPN**" means any bond issued in the form of a loan participation note.

"**LPN Issuer**" means 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.

"**M**" means in relation to Nth-to-Default Credit Securities where "Multiple Default Triggers" is applicable, such number as may be specified in the Final Terms.

"**Max**" means, whenever followed by a series of amounts inside brackets, whichever is the greater of the amounts separated by a comma inside those brackets.

"**Maximum Maturity**" means an obligation that has a remaining maturity 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.

"**Merger Event**" means that at any time during the period from (and including) the Trade Date to (but excluding) the Credit Observation Period End Date, the Issuer becomes aware that a Reference Entity consolidates or amalgamates with, or merges into, or transfers all or substantially all of its assets to, a Securityholder.

"**Merger Event Settlement Date**" means the date specified as such in the Final Terms.

"**Min**" means, whenever followed by a series of amounts inside brackets, whichever is the lesser of the amounts separated by a comma inside those brackets.

"**Minimum Quotation Amount**" means unless where specified in the Final Terms, the lower of:

(a) U.S.$ 1,000,000 (or its equivalent in the relevant Obligation Currency); and

(b) the Quotation Amount.

"**M(M)R Restructuring**" means a Restructuring Credit Event in respect of which either "Mod R" or "Mod Mod R" is specified as applicable in respect of the Reference Entity.

"**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 Credit Observation Period End Date.

Subject to the foregoing, if the Credit Observation Period End Date is later than the 10-year Limitation Date, the Modified Restructuring Maturity Limitation Date will be the Credit Observation Period End Date.

"**Movement Option Cut-off Date**" means the date that is one Relevant City Business Day following the Exercise Cut-off Date (or, if later, such other date as the relevant Credit Derivatives Determinations Committee Resolves) or such earlier date as the Issuer may designate by notice to the Calculation Agent and the Securityholders in accordance with Security Condition 8 (*Notices*).

"**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, in relation to "Nth-to-Default Credit Securities", 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 and a Credit Event, the date on which the DC Secretary first publicly announces that:

(a) no Transaction Auction Settlement Terms and, if applicable, no 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 an M(M)R Restructuring, 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 following a prior public announcement by the DC Secretary to the contrary, in circumstances where either:

(i) no Parallel Auction will be held; or

(ii) one or more Parallel Auctions will be held.

"**Non-Capped Reference Entity**" means a Reference Entity which is not a Capped Reference Entity.

"**Non-Conforming Reference Obligation**" means a Reference Obligation which is not a Conforming Reference Obligation.

"**Non-Conforming Substitute Reference Obligation**" means an obligation which would be a Deliverable Obligation determined in accordance with paragraph (a) of the definition of "Deliverable Obligation" on the Substitution Date but for one or more of the same reasons which resulted in the Reference Obligation constituting a Non-Conforming Reference Obligation on the date it was issued or incurred and/or immediately prior to the Substitution Event Date (as applicable).

"**Non-Standard Reference Obligation**" means the Original Non-Standard Reference Obligation or if a Substitute Reference Obligation has been determined, the Substitute Reference Obligation.

"**Non-Financial Instrument**" means any Asset which is not of the type typically traded in, or suitable for being traded in, financial markets.

"**Non-Transferable Instrument**" means any Asset which is not capable of being transferred to institutional investors, excluding due to market conditions.

"**NOPS Amendment Notice**" means a notice delivered by the Calculation Agent on behalf of the Issuer (with a copy to the Issuer), to the Securityholders notifying that the Calculation Agent 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).

"**NOPS Effective Date**" means the date on which a Notice of Physical Settlement or NOPS Amendment Notice, as the case may be, is delivered by the Issuer or the Calculation Agent (on its behalf).

"**Not Bearer**" means any obligation that is not a bearer instrument unless interests with respect to such bearer instrument are cleared via Euroclear, Clearstream, Luxembourg 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 Domestic Currency**" means any obligation that is payable in any currency other than the applicable Domestic Currency, provided that a Standard Specified Currency shall not constitute a Domestic Currency.

"**Not Domestic Issuance**" means any obligation other than an obligation that was issued (or reissued, as the case may be), or intended to be offered for sale primarily in the domestic market of the Reference Entity. Any obligation that is registered or, as a result of some other action having been taken for such purpose, is qualified for sale outside the domestic market of the Reference Entity (regardless of whether such obligation is also registered or qualified for sale within the domestic market of the Reference Entity) shall be deemed not to be issued (or reissued, as the case may be), or intended to be offered for sale primarily in the domestic market of the Reference Entity.

"**Not Domestic Law**" means any obligation that is not governed by the applicable Domestic Law, provided that the laws of England and the laws of the State of New York shall not constitute a Domestic Law.

"**Not Sovereign Lender**" means any obligation that is not primarily owed to (A) a Sovereign or (B) any entity or organization established by treaty or other arrangement between two or more Sovereigns including, without limiting the foregoing, the International Monetary Fund, European Central Bank, International Bank for Reconstruction and Development and European Bank for Reconstruction and Development, which shall include, without limitation, obligations generally referred to as "Paris Club debt"..

"**Not Subordinated**" means an obligation that is not Subordinated to (I) the Reference Obligation or (II) the Prior Reference Obligation, if applicable.

"**Notice Delivery Date**" means the first date on which both an effective Credit Event Notice and, unless "Notice of Publicly Available Information" is specified as not applicable, an effective Notice of Publicly Available Information, have been delivered by the Calculation Agent to the Issuer.

"**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 an M(M)R Restructuring, the later of such date and the Exercise Cut-off Date).

"**Notice of Physical Settlement**" means a notice delivered by the Calculation Agent on behalf of the Issuer (with a copy to the Issuer), to the Securityholders on or prior to the latest of:

(a) 65 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 Notice of Physical Settlement 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) or (c)(ii) of the definition thereof, the Issuer has not delivered an Auction Settlement Amount Notice specifying an applicable Parallel Auction Settlement Terms to the Calculation Agent by the Movement Option Cut-off Date, 5 Credit Security Business Days following such Movement Option Cut-off Date;

(d) 30 calendar days following the Event Determination Date; and

(e) 10 calendar days following the date of the relevant DC Credit Event Announcement or of the relevant DC Credit Event Question Dismissal,

(the "**NOPS Cut-off Date**") that:

(i) confirms that the Issuer intends to settle the Credit Securities by Physical Settlement in accordance with Credit Security Condition 7(*Physical Settlement*), and

(ii) contains a detailed description of the Deliverable Obligations that the Issuer intends to Deliver (or procure Delivery of) to the Securityholders, including the Outstanding Amount and the aggregate Outstanding Amount of such Deliverable Obligations.

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 at least equal to the Reference Entity Notional Amount (or, as applicable, Exercise Amount), subject to any Physical Settlement Adjustment.

The Issuer or the Calculation Agent (on its behalf) may, from time to time, deliver to the Securityholders 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, (i) the Issuer or the Calculation Agent (on its behalf) 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 (given in the manner specified above) prior to the relevant Delivery Date, and (ii) if Asset Package Delivery is applicable, the Issuer or the Calculation Agent (on its behalf) shall, prior to the Delivery Date, notify the Securityholders of the detailed description of the Asset Package, if any, that it intends to Deliver to the Securityholders in lieu of the Prior Deliverable Obligation or Package Observable Bond, if any, specified in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable, it being understood in each case that such notice shall not constitute a NOPS Amendment Notice.

"**Notice of Publicly Available Information**" means an irrevocable notice from the Calculation Agent (which may be by telephone) to the Issuer that cites Publicly Available Information confirming the occurrence of the Credit Event 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 respect of the Reference Entity 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 Security and a Reference Entity, a hypothetical market standard credit default swap transaction entered into by the Issuer, as Buyer (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 Credit Observation Period End Date;

(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 Security; and

(e) the remaining terms as to credit linkage are consistent with the terms of such Credit Security as it relates to such Reference Entity.

"**Nth-to-Default Credit Security**" means any Credit Securities specified as such in the Final Terms.

"**Nth-to-Default Linear Basket Credit Securities**" mean Credit Securities specified as such in the applicable Final Terms in respect of which the Issuer purchases credit protection in respect of two or more Reference Entities and in respect of which "Multiple Default Trigger" is specified as applicable and whereby such Credit Securities will become and shall be treated, under and for the purposes of these Credit Securities Conditions, as Linear Basket Credit Securities, until, if M is specified as applicable in its applicable Final Terms, the number of Reference Entities in respect of which an Event Determination Date has occurred is equal to M.

"**Obligation**" means:

(a) any obligation of the Reference Entity (either directly or as provider of a Relevant Guarantee) determined pursuant to the Method for Determining Obligations; and

(b) the Reference Obligation,

in each case, unless it is an Excluded Obligation.

For purposes of the "**Method for Determining Obligations**", the term "Obligation" may be defined as each obligation of the Reference Entity described by the Obligation Category specified in respect thereof and having each of the Obligation Characteristics, if any, specified in respect thereof, in each case, immediately prior to the Credit Event which is the subject of either the Credit Event Notice or the DC Credit Event Question resulting in the occurrence of the Credit Event Resolution Request Date, as applicable.

"**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 the Reference Entity under one or more Obligations.

"**Obligation Category**" means Payment, Borrowed Money, Reference Obligation 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 relation to a Reference Entity.

"**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 the Reference Entity under one or more Obligations.

"**Original Bonds**" means any Bonds comprising part of the relevant Deliverable Obligations.

"**Original Loans**" means any Loans comprising part of the relevant Deliverable Obligations.

"**Original Non-Standard Reference Obligation**" means the obligation of the Reference Entity (either directly or as provider of a guarantee) which is specified as the Reference Obligation in relation to the Reference Entity (if any is so specified) provided that if an obligation is not an obligation of the Reference Entity, such obligation will not constitute a valid Original Non-Standard Reference Obligation for purposes of the Reference Entity (other than for the purposes of determining the Seniority Level and for the "Not Subordinated" Obligation Characteristic or "Not Subordinated" Deliverable Obligation Characteristic) unless (a) otherwise specified in the Final Terms by reference to this definition, or (b) the Reference Entity is a Reference Obligation Only Trade.

"**Outstanding Amount**" means the Outstanding Principal Balance or Due and Payable Amount, as applicable.

"**Outstanding Bonus Remuneration Rate**" means the rate equal to either:

(a) if "Final Rate" is specified as applicable, the Bonus Remuneration Rate (as specified in the applicable Final Terms) less the aggregate of all Bonus Remuneration Writedown Rates determined on or prior to the Bonus Remuneration Determination Date; or

(b) if "Averaging Rate" is specified as applicable, the Bonus Remuneration Rate (as specified in the applicable Final Terms) less the arithmetic average of the Bonus Remuneration Writedown Rates determined for each day during the period commencing as the previous Bonus Remuneration Payment Date (or if none, the Issue Date) and concluding on the Bonus Remuneration Determination Date,

subject to a minimum of zero.

"**Outstanding Notional Amount**" means, in respect of any Credit Security, such Credit Security's *pro rata* share of the initial aggregate Notional Amount less such Credit Security's *pro rata* share of all Reference Entity Notional Amounts of Reference Entities in respect of which an Event Determination Date has occurred (excluding where Credit Security Condition 2(h)(b) (*Settlement at Maturity*) applies) (or, in the case of a Tranched Credit Security, such Credit Security's *pro rata* share of the initial aggregate Notional Amount less such Credit Security's *pro rata* share of all Writedown Amounts determined on or prior to the relevant date of determination) subject, in each case, to a minimum of zero and as adjusted by the Calculation Agent to take account of any repurchase or cancellation of Credit Securities, the issuance of any further Credit Securities and any settlement of Credit Securities pursuant to Credit Security Condition 2(h)(a) (*Distribution Period Settlement*).

The "**Outstanding Principal Balance**" of an obligation will be calculated as follows:

(i) first, by determining, in respect of the obligation, the amount of the Reference Entity's principal payment obligations and, where applicable in accordance with Credit Security Condition 8(h) (*Accrued Interest*), the Reference Entity's accrued but unpaid interest payment obligations (which, in the case of a Guarantee will be the lower of (A) the Outstanding Principal Balance (including accrued but unpaid interest, where applicable) of the Underlying Obligation (determined as if references to the Reference Entity were references to the Underlying Obligor) and (B) the amount of the Fixed Cap, if any);

(ii) second, by subtracting all or any portion of such amount which, pursuant to the terms of the obligation, (A) is subject to any Prohibited Action, or (B) may otherwise be reduced as a result of the effluxion of time or the occurrence or non-occurrence of an event or circumstance (other than by way of (I) payment or (II) a Permitted Contingency) (the amount determined in paragraph (i) less any amounts subtracted in accordance with this paragraph (ii), the "**Non-Contingent Amount**"); and

(iii) third, by determining the Quantum of the Claim, which shall then constitute the Outstanding Principal Balance,

in each case, determined:

A. unless otherwise specified, in accordance with the terms of the obligation in effect on either (I) the NOPS Effective Date (or if the terms of the obligation are amended after such date but on or prior to the Delivery Date, the Delivery Date), or (II) the Relevant Valuation Date, as applicable; and

B. with respect to the Quantum of the Claim only, in accordance with any applicable laws (insofar as such laws reduce or discount the size of the claim to reflect the original issue price or accrued value of the obligation).

"**Package Observable Bond**" means, in respect of a Reference Entity which is a Sovereign, any obligation (a) which is identified as such and published by ISDA on its website at www.isda.org from time to time (or any successor website thereto) or by a third party designated by ISDA on its website from time to time and (b) which fell within the definition of Deliverable Obligation set out in paragraph (a) or (b) of the definition of "Deliverable Obligation", in each case, immediately preceding the date on which the relevant Asset Package Credit Event was legally effective. At the date hereof, the list of Package Observable Bonds is available on the IHS Markit website at https://ihsmarkit.com/products/red-cds.html.

"**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, following the occurrence of an M(M)R Restructuring, any Credit Derivatives Auction Settlement Terms published by ISDA with respect to such M(M)R Restructuring, 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 and for which the Notional Credit Derivative Transaction would not be an Auction Covered Transaction.

"**Parallel Notice of Physical Settlement Date**" means "Notice of Physical Settlement Date" as defined in the relevant Parallel Auction Settlement Terms.

"**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 or NOPS Amendment Notice, as applicable.

"**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 in the Final Terms or its equivalent in the relevant Obligation Currency (or, if no such amount is specified in the 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 Contingency**" means, with respect to an obligation, any reduction to the Reference Entity's payment obligations:

(a) as a result of the application of:

(i) any provisions allowing a transfer, pursuant to which another party may assume all of the payment obligations of the Reference Entity;

(ii) provisions implementing the Subordination of the obligation;

(iii) provisions allowing for a Permitted Transfer in the case of a Qualifying Guarantee (or provisions allowing for the release of the Reference Entity from its payment obligations in the case of any other Guarantee);

(iv) any Solvency Capital Provisions, if "Subordinated European Insurance Terms" is specified as applicable in respect of the Reference Entity; or

(v) provisions which permit the Reference Entity's obligations to be altered, discharged, released or suspended in circumstances which would constitute a Governmental Intervention, if "Financial Reference Entity Terms" is specified as applicable in respect of the Reference Entity; or

(b) which is within the control of the holders of the obligation or a third party acting on their behalf (such as an agent or trustee) in exercising their rights under or in respect of such obligation.

"**Permitted Transfer**" means, with respect to a Qualifying Guarantee, a transfer to and the assumption by any single transferee of such Qualifying Guarantee (including by way of cancellation and execution of a new guarantee) on the same or substantially the same terms, in circumstances where there is also a transfer of all (or substantially all) of the assets of the Reference Entity to the same single transferee.

"**Physical Settlement Adjustment**" means a reduction to the Outstanding Amount of Deliverable Obligations specified in a Notice of Physical Settlement or NOPS Amendment Notice, by an amount of Deliverable Obligations having a liquidation value equal to the Credit Unwind Costs (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 Final Terms specify that Credit 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 Issuer by way of compensation for any Credit Unwind Costs.

"**Physical Settlement Date**" means the last day of the longest Physical Settlement Period following the NOPS Cut-off Date as specified in relation to a Reference Entity as the Calculation Agent may designate.

"**Physical Settlement Matrix**" means the Credit Derivatives Physical Settlement Matrix, 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 on its website at www.isda.org (or any successor website thereto), provided that any reference therein to:

(a) "Confirmation" shall be deemed to be a reference to the Final Terms;

(b) "Floating Rate Payer Calculation Amount" shall be deemed to be a reference to the Specified Currency;

(c) "Section 1.32" shall be deemed to be a reference to "Credit Event Notice" as defined in this Annex 12;

(d) "Section 1.33" shall be deemed to be a reference to Credit Security Condition 11(a); and

(e) "Section 8.19" shall be deemed to be a reference to "Physical Settlement Period" as defined in this Annex 12.

"**Physical Settlement Period**" means, subject to Credit Security Condition 2(e), 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 or any NOPS Amendment Notice, as applicable, 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, provided that if the Issuer or

Calculation Agent (on its behalf) intends to Deliver an Asset Package in lieu of a Prior Deliverable Obligation or a Package Observable Bond, the Physical Settlement Period shall be thirty Business Days.

"**Post Dismissal Additional Period**" means the period from and including the date of the DC Credit Event Question Dismissal 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 or, as applicable, the Issue Date)).

"**Potential Cash Settlement Event**" means an event beyond the control of the Issuer (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 market conditions, or any contractual, statutory and/or regulatory restriction relating to the relevant Deliverable Obligation, or due to the failure of the Securityholder to give the Issuer details of accounts for settlement; or a failure of the Securityholder to open or procure the opening of such accounts or if the Securityholders are unable to accept Delivery of the portfolio of Deliverable Obligations for any other reason).

"**Potential Failure to Pay**" means the failure by the 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, without regard to any grace period or any conditions precedent to the commencement of any grace period applicable to such Obligations.

"**Potential Repudiation/Moratorium**" means the occurrence of an event described in sub-paragraph (a) of the definition of "Repudiation/Moratorium".

"**Prior Deliverable Obligation**" means:

(a) if a Governmental Intervention has occurred (whether or not such event is specified as the applicable Credit Event in the Credit Event Notice or the DC Credit Event Announcement), any obligation of the Reference Entity which (i) existed immediately prior to such Governmental Intervention, (ii) was the subject of such Governmental Intervention and (iii) fell within the definition of Deliverable Obligation set out in paragraph (a) or (b) of the definition of "Deliverable Obligation", in each case, immediately preceding the date on which such Governmental Intervention was legally effective; or

(b) if a Restructuring which does not constitute a Governmental Intervention has occurred in respect of the Reference Obligation (whether or not such event is specified as the applicable Credit Event in the Credit Event Notice or the DC Credit Event Announcement), such Reference Obligation, if any.

"**Prior Reference Obligation**" means, in circumstances where there is no Reference Obligation applicable to a Reference Entity, (I) the Reference Obligation most recently applicable thereto, if any,

and otherwise, (II) the obligation specified in the related Final Terms as the Reference Obligation, if any, if such Reference Obligation was redeemed on or prior to the Trade Date and otherwise, (III) any unsubordinated Borrowed Money obligation of the Reference Entity.

"**Private-side Loan**" means a Loan in respect of which the documentation governing its terms is not publicly available or capable of being made public without violating a law, agreement, understanding or other restriction regarding the confidentiality of such information.

"**Prohibited Action**" means any counterclaim, defense (other than a counterclaim or defense based on the factors set forth in paragraphs (a) to (d) of the definition of "Credit Event") or right of set- off by or of the Reference Entity or any applicable Underlying Obligor.

"**Public Source**" means each source of Publicly Available Information specified as such in the related Final Terms (or, if no such source is specified, each of Bloomberg, Reuters, Dow Jones Newswires, The Wall Street Journal, The New York Times, Nihon Keizai Shimbun, Asahi Shimbun, Yomiuri Shimbun, Financial Times, La Tribune, Les Echos, The Australian Financial Review and Debtwire (and successor publications), the main source(s) of business news in the country in which the Reference Entity is organized and any other internationally recognized published or electronically displayed news sources).

"**Publicly Available Information**" means information that reasonably confirms any of the facts relevant to the determination that the Credit Event described in a Credit Event Notice has occurred and which:

(i) has been published in or on not less than the Specified Number of Public Sources (regardless of whether the reader or user thereof pays a fee to obtain such information);

(ii) is information received from or published by (A) the Reference Entity (or, if the Reference Entity is a Sovereign, any agency, instrumentality, ministry, department or other authority thereof acting in a governmental capacity (including, without limiting the foregoing, the central bank) of such Sovereign), or (B) a trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent bank for an Obligation; or

(iii) is information contained in any order, decree, notice, petition or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body,

provided that where any information of the type described in paragraphs (ii) or (iii) above is not publicly available, it can only constitute Publicly Available Information if it can be made public without violating any law, agreement, understanding or other restriction regarding the confidentiality of such information.

In relation to any information of the type described in (ii) or (iii) above, the Calculation Agent, the Issuer and/or any other party receiving such information may assume that such information has been disclosed to it without violating any law, agreement, understanding or other restriction 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 the party receiving such information.

Without limitation, Publicly Available Information need not state (i) in relation to the "Downstream Affiliate" definition, the percentage of Voting Shares owned by the Reference Entity and (ii) that the relevant 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.

In relation to a Repudiation/Moratorium Credit Event, Publicly Available Information must relate to the events described in both sub-paragraphs (a) and (b) of the definition of "Repudiation/Moratorium".

"**Qualifying Affiliate Guarantee**" means a Qualifying Guarantee provided by the Reference Entity in respect of an Underlying Obligation of a Downstream Affiliate of the Reference Entity.

"**Qualifying Guarantee**" means a guarantee evidenced by a written instrument (which may include a statute or regulation), pursuant to which the Reference Entity irrevocably agrees, undertakes, or is otherwise obliged to pay all amounts of principal and interest (except for amounts which are not covered due to the existence of a Fixed Cap) due under an Underlying Obligation for which the Underlying Obligor is the obligor, by guarantee of payment and not by guarantee of collection (or, in either case, any legal arrangement which is equivalent thereto in form under the relevant governing law).

A Qualifying Guarantee shall not include any guarantee:

(a) which is structured as a surety bond, financial guarantee insurance policy or letter of credit (or any legal arrangement which is equivalent thereto in form); or

(b) pursuant to the terms applicable thereto, the principal payment obligations of the Reference Entity can be discharged, released, reduced, assigned or otherwise altered as a result of the occurrence or non-occurrence of an event or circumstance, in each case, other than:

    (i) by payment;

    (ii) by way of Permitted Transfer;

    (iii) by operation of law;

    (iv) due to the existence of a Fixed Cap; or

    (v) due to:

A. provisions permitting or anticipating a Governmental Intervention, if "Financial Reference Entity Terms" is specified as applicable in respect of the Reference Entity; or

B. any Solvency Capital Provisions, if "Subordinated European Insurance Terms" is specified as applicable in respect of the Reference Entity.

If the guarantee or Underlying Obligation contains provisions relating to the discharge, release, reduction, assignment or other alteration of the principal payment obligations of the Reference Entity and such provisions have ceased to apply or are suspended at the time of the relevant determination, in accordance with the terms of such guarantee or Underlying Obligation, due to or following the occurrence of (I) a non- payment in respect of the guarantee or the Underlying Obligation, or (II) an event of the type described in the definition of "Bankruptcy" in respect of the Reference Entity or the Underlying Obligor, then it shall be deemed for these purposes that such cessation or suspension is permanent, notwithstanding the terms of the guarantee or Underlying Obligation.

In order for a guarantee to constitute a Qualifying Guarantee:

(x) the benefit of such guarantee must be capable of being Delivered together with the Delivery of the Underlying Obligation; and

(y) if a guarantee contains a Fixed Cap, all claims to any amounts which are subject to such Fixed Cap must be capable of being Delivered together with the Delivery of such guarantee.

"**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.

"**Quantum of the Claim**" means the lowest amount of the claim which could be validly asserted against the Reference Entity in respect of the Non-Contingent Amount if the obligation had become redeemable, been accelerated, terminated or had otherwise become due and payable at the time of the relevant determination, provided that the Quantum of the Claim cannot exceed the Non-Contingent Amount.

"**Quotation**" means, in respect of any Reference Obligation, Deliverable Obligation or Undeliverable Obligation, as the case may be, each Full Quotation and the Weighted Average Quotation obtained and expressed as a percentage of its Outstanding Principal Balance or Due and Payable Amount, as applicable, with respect to a Valuation Date in the manner that follows:

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.

"**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.

"**Recovery Amount**" means, in respect of Tranched Credit Securities, a Reference Entity and a Final Price Calculation Date, an amount calculated on that Final Price Calculation Date equal to:

(a) the lesser of 100 per cent. and either (i) the Auction Final Price or (ii) if Cash Settlement applies, the Weighted Average Final Price (or, if so specified in the Final Terms, the Final Price or such other price specified therein) for that Reference Entity as of such Final Price Calculation Date; multiplied by

(b) the Reference Entity Notional Amount for that Reference Entity, as at the relevant Event Determination Date,

subject to a minimum of zero.

"**Recovery Threshold Amount**" means, in respect of Tranched Credit Securities, an amount equal to (a) the Implicit Portfolio Size multiplied by (b) 100 per cent. minus the Detachment Point.

"**Reference Entity**" or "**Reference Entities**" means the reference entity or reference entities specified in the Final Terms or, where applicable, identified in a Relevant Annex, and any Successor to a Reference Entity either:

(a) identified by the Calculation Agent in accordance with the definition of "Successor" on or following the Trade Date or, where applicable, identified by an Index Sponsor; or

(b) identified pursuant to a DC Resolution in respect of a Successor Resolution Request Date and publicly announced by the DC Secretary on or following the Trade Date,

shall, in each case, with effect from the Succession Date, be the Reference Entity for the Credit Securities, as the terms of which may be modified pursuant to Credit Security Condition 9 (*Successors).*

"**Reference Entity Notional Amount**" means in respect of any Reference Entity, the amount in which the Issuer has purchased credit protection in respect of such Reference Entity, as set out in the Final Terms or if no such amount is specified:

(a) in the case of Single Reference Entity Credit Securities, First-to-Default Credit Securities,or Nth-to-Default Credit Securities where "Multiple Default Triggers" is not applicable, the initial aggregate Notional Amount of the Credit Securities;

(b) in the case of Nth-to-Default Credit Securities where "Multiple Default Triggers" is applicable, an amount equal to (i) the initial aggregate Notional Amount of the Credit Securities, divided by (ii) (M+1-N);

(c) in the case of Basket Credit Securities, if a Reference Entity Weighting is specified or applies in respect of such Reference Entity, being the product of (i) such Reference Entity Weighting and (ii) the initial aggregate Notional Amount of the Credit Securities, or, if no such amount is specified (i) the initial aggregate Notional Amount of the Credit Securities, divided by (ii) the number of Reference Entities; and

(d) in the case of Tranched Credit Securities, the Implicit Portfolio Size multiplied by the Reference Entity Weighting for the relevant Reference Entity,

subject to in each case Credit Security Condition 2 (*Settlement)*, Credit Security Condition 9 (*Successors)* and Credit Security Condition 11 (*Restructuring Credit Event)* and as adjusted by the Calculation Agent to take account of any repurchase or cancellation of Credit Securities or the issuance of any further Credit Securities.

"**Reference Entity Weighting**" means, in respect of a Reference Entity, the weighting as specified in the Final Terms for such Reference Entity.

"**Reference Obligation**" means the Standard Reference Obligation, if any, unless:

(a) "Standard Reference Obligation" is specified as not applicable in relation to a Reference Entity, in which case the Reference Obligation will be the Non-Standard Reference Obligation, if any; or

(b) (i) "Standard Reference Obligation" is specified as applicable in relation to a Reference Entity (or no election is specified in relation to a Reference Entity), (ii) there is no Standard Reference Obligation and (iii) a Non-Standard Reference Obligation is specified in relation to a Reference Entity, in which case the Reference Obligation will be (A) the Non-Standard Reference Obligation to but excluding the first date of publication of the Standard Reference Obligation and (B) the Standard Reference Obligation from such date onwards, provided that the Standard Reference Obligation that is published would have been eligible to be selected as a Substitute Reference Obligation.

If the Standard Reference Obligation is removed from the SRO List, such obligation shall cease to be the Reference Obligation (other than for purposes of the "Not Subordinated" Obligation Characteristic or "Not Subordinated" Deliverable Obligation Characteristic) and there shall be no Reference Obligation unless and until such obligation is subsequently replaced on the SRO List, in which case, the new Standard Reference Obligation in respect of the Reference Entity shall constitute the Reference Obligation.

"**Reference Obligation Only**" means any obligation that is a Reference Obligation and no Obligation Characteristics (for purposes of determining Obligations) or, as the case may be, no Deliverable Obligation Characteristics (for purposes of determining Deliverable Obligations) shall be applicable where Reference Obligation Only applies.

"**Reference Obligation Only Trade**" means a Reference Entity in respect of which (a) "Reference Obligation Only" is specified as the Obligation Category and the Deliverable Obligation Category and (b) "Standard Reference Obligation" is specified as not applicable. If the event set out in paragraph (i) of the definition of "Substitution Event" occurs with respect to the Reference Obligation in a Reference Obligation Only Trade, the Issuer shall redeem or cancel, as applicable, all but not some only of the Credit Securities on a date as specified by notice to the Securityholders in accordance with Security Condition 8 (*Notices*) on or after the Substitution Event Date, and at an amount (which may be zero) in respect of each Credit Security equal to the fair market value of such Credit Security taking into account the relevant Substitution 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 a commercially reasonable manner.

Notwithstanding the definition of "Substitute Reference Obligation", (i) no Substitute Reference Obligation shall be determined in respect of a Reference Obligation Only Trade and (ii) if the events set out in paragraphs (ii) or (iii) of the definition of "Substitution Event" occur with respect to the

Reference Obligation in a Reference Obligation Only Trade, such Reference Obligation shall continue to be the Reference Obligation.

"**Reference Portfolio** " means the portfolio of Reference Entities comprised in the Relevant Annex.

"**Relevant Annex**" means an annex setting out the Reference Entities for the purposes of the Credit Securities, being the annex specified as such in the Final Terms.

"**Relevant City Business Day**" has the meaning given to that term in the Rules in respect of the relevant Reference Entity.

"**Relevant Guarantee**" means a Qualifying Affiliate Guarantee or, if "All Guarantees" is specified as applicable in respect of the Reference Entity, a Qualifying Guarantee.

"**Relevant Holder**" means a holder of the Prior Deliverable Obligation or Package Observable Bond, as the case may be, with an Outstanding Principal Balance or Due and Payable Amount, as applicable, immediately prior to the relevant Asset Package Credit Event, equal to the Outstanding Amount specified in respect of such Prior Deliverable Obligation or Package Observable Bond in the Notice of Physical Settlement, or NOPS Amendment Notice, as applicable.

"**Relevant Obligations**" means the Obligations of the Reference Entity which fall within the Obligation Category "Bond or Loan" and which are outstanding immediately prior to the Succession Date (or, if there is a Steps Plan, immediately prior to the legally effective date of the first succession), provided that:

(i) any Bonds or Loans outstanding between the Reference Entity and any of its Affiliates, or held by the Reference Entity, shall be excluded;

(ii) if there is a Steps Plan, the Calculation Agent shall, for purposes of the determination required to be made under the definition of "Successor", make the appropriate adjustments required to take account of any Obligations of the Reference Entity which fall within the Obligation Category "Bond or Loan" that are issued, incurred, redeemed, repurchased or cancelled from and including the legally effective date of the first succession to and including the Succession Date;

(iii) if "Financial Reference Entity Terms" is specified as applicable in respect of the Reference Entity and "Senior Transaction" is applicable in respect of the Reference Entity, the related Relevant Obligations shall only include the Senior Obligations of the Reference Entity which fall within the Obligation Category "Bond or Loan"; and

(iv) if "Financial Reference Entity Terms" is specified as applicable in respect of the Reference Entity, and "Subordinated Transaction" is applicable in respect of the Reference Entity, the related Relevant Obligations shall exclude Senior Obligations and any Further Subordinated Obligations of the Reference Entity which fall within the Obligation Category "Bond or Loan", provided that if no such Relevant

Obligations exist, "Relevant Obligations" shall have the same meaning as it would if the "Senior Transaction" were applicable in respect of the Reference Entity.

"**Relevant Valuation Date**" means the Settlement Valuation Date or Valuation Date, as the case may be.

"**Remuneration Shortfall Amount**" means, in respect of each Credit Security and any Remuneration Payment Date or the Final Settlement Date, an amount equal to the aggregate of the shortfalls in the remuneration paid in respect of such Credit Security on any previous Remuneration Payment Date as a result of a Deemed Remuneration Reduction as against the remuneration which would have been payable in respect of such Credit Security on such Remuneration Payment Date on the basis of the actual Writedown Amount (if any) determined on the related Final Price Calculation Date or, as the case may be, on the basis of a determination by the Calculation Agent that no Event Determination Date has subsequently occurred or could subsequently occur in respect of the relevant Reference Entity.

"**Remuneration Shortfall Payment Date**" means, in respect of a Remuneration Shortfall Amount, the first Remuneration Payment Date to occur after the second Business Day following the related Final Price Calculation Date or the related date of determination by the Calculation Agent that no Event Determination Date has subsequently occurred or could subsequently occur in respect of the relevant Reference Entity, or, if there is no such Remuneration Payment Date, the Final Settlement Date.

"**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 Issuer intends to, subject to Credit Security Condition 7 (*Physical Settlement)*, Deliver to the Securityholders 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 any entity selected by the Calculation Agent acting in a commercially reasonable manner, 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 Ltd., at the date of the relevant Succession Date provided that in selecting any Replacement Reference Entity, the Calculation Agent is under no obligation to the Securityholders, 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 Securityholders, 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 the 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 Credit Observation Period End Date:

(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 the Reference Entity or a Governmental Authority in a form that binds all holders of such Obligation (including, in each case, in respect of Bonds only, by way of an exchange), 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 (including by way of redenomination);

(ii) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);

(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 of any payment of interest, principal or premium to any currency other than the lawful currency 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 (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).

(b) Notwithstanding the provisions of (a) above, none of the following shall constitute a Restructuring:

(i) the payment in euros of interest, principal or premium 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 redenomination from euros into another currency, if (A) the redenomination occurs as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority and (B) a freely available market rate of conversion between euros and such other currency existed at the time of such redenomination and there is no reduction in the rate or amount of interest, principal or premium payable, as determined by reference to such freely available market rate of conversion;

(iii) the occurrence of, agreement to or announcement of any of the events described in (a)(i) to (v) above due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; and

(iv) the occurrence of, agreement to or announcement of any of the events described in (a)(i) to (v) 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, provided that in respect of (a)(v) only, no such deterioration in the creditworthiness or financial condition of the Reference Entity is required where the redenomination is from euros into another currency and occurs as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority.

(c) For the purposes of (a) and (b) above and Credit Security Condition 11(e), the term "Obligation" shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Guarantee. In the case of a 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.

(d) If an exchange has occurred, the determination as to whether one of the events described under (a)(i) to (v) above has occurred will be based on a comparison of the terms of the Bond immediately prior to such exchange and the terms of the resulting obligations immediately following such exchange.

"**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 Maturity Limitation Date**" means, with respect to a Deliverable Obligation, the Limitation Date occurring on or immediately following the Credit Observation Period End Date. 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 Credit Observation Period End Date 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.

"**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, as the Calculation Agent shall determine in a commercially reasonable manner.

"**Rules**" means the Credit Derivatives Determinations Committee Rules, as published by ISDA on its Credit Derivatives Determinations Committees website at dc.isda.org (or any successor website thereto) from time to time and as amended from time to time in accordance with the terms thereof.

"**Scheduled Settlement Date**" means 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.

"**Senior Obligation**" means any obligation which is not Subordinated to any unsubordinated Borrowed Money obligation of the Reference Entity.

"**Senior Transaction**" means a Reference Entity for which (a) the Reference Obligation or Prior Reference Obligation, as applicable, is a Senior Obligation, or (b) there is no Reference Obligation or Prior Reference Obligation.

"**Seniority Level**" means, with respect to an obligation of the Reference Entity, (a) "Senior Level" or "Subordinated Level" as specified in respect of the Reference Entity, or (b) if no such seniority level is specified in respect of the Reference Entity, "Senior Level" if the Original Non-Standard Reference Obligation is a Senior Obligation or "Subordinated Level" if the Original Non-Standard Reference Obligation is a Subordinated Obligation, failing which (c) "Senior Level".

"**Settlement Currency**" means the currency specified as such in the Final Terms, or if no currency is so specified in the Final Terms, the Specified Currency.

"**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 Preliminary Amount**" means, in respect of any Tranched Credit Securities and any relevant date, an amount (subject to a minimum of zero) equal to:

(a) the Outstanding Notional Amount of such Credit Security (for the avoidance of doubt as reduced at or prior to such time), minus

(b) its *pro rata* share of the Unsettled Retention Amount.

"**Settlement Residual Amount**" means, in respect of any Tranched Credit Security and any relevant date, its remaining Outstanding Notional Amount of the Credit Securities (after deduction of the aggregate **Settlement** Preliminary Amounts and for the avoidance of doubt, as otherwise reduced at or prior to such time).

"**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 or NOPS Amendment Notice, as applicable, 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 or NOPS Amendment Notice, as applicable, is given.

"**Single Reference Entity Credit Security**" means any Credit Security specified as such in the Final Terms.

"**Solvency Capital Provisions**" means any terms in an obligation which permit the Reference Entity's payment obligations thereunder to be deferred, suspended, cancelled, converted, reduced or otherwise varied and which are necessary in order for the obligation to constitute capital resources of a particular tier.

"**Sovereign**" means any state, political subdivision or government, or any agency, instrumentality, ministry, department or other authority acting in a governmental capacity (including, without limiting the foregoing, the central bank) thereof.

"**Sovereign No Asset Package Delivery Supplement**" means the 2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions, as published by ISDA on 15 September 2014.

"**Sovereign Restructured Deliverable Obligation**" means an Obligation of a Reference Entity which is a Sovereign (either directly or as provider of a Relevant Guarantee) (a) in respect of which a Restructuring that is the subject of the Credit Event Notice or DC Credit Event Announcement has occurred and (b) which fell within the definition of a Deliverable Obligation set out in paragraph (a) of the definition of "Deliverable Obligation" immediately preceding the date on which such Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring.

"**Sovereign Succession Event**" means, with respect to a Reference Entity that is a Sovereign, an annexation, unification, secession, partition, dissolution, consolidation, reconstitution or other similar event.

"**Specified Currency**" means an obligation that is payable in the currency or currencies specified as such in respect of the Reference Entity (or, if "Specified Currency" is specified in respect of the Reference Entity and no currency is so specified, any Standard Specified Currency), provided that if the euro is a Specified Currency, "Specified Currency" shall also include an obligation that was previously payable in the euro, regardless of any redenomination thereafter if such redenomination occurred as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority.

"**Specified Number**" means the number of Public Sources specified in respect of the Reference Entity (or, if no such number is specified, two).

"**SRO List**" means the list of Standard Reference Obligations as published by ISDA on its website at www.isda.org from time to time (or any successor website thereto) or by a third party designated by

ISDA on its website from time to time. At the date hereof, the list of Package Observable Bonds is available on the IHS Markit website at https://ihsmarkit.com/products/red-cds.html.

"**Standard Reference Obligation**" means the obligation of the Reference Entity with the relevant Seniority Level which is specified from time to time on the SRO List.

"**Standard Specified Currencies**" means each of the lawful currencies of Canada, Japan, Switzerland, France, Germany, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).

"**Steps Plan**" means a plan evidenced by Eligible Information contemplating that there will be a series of successions to some or all of the Relevant Obligations of the Reference Entity, by one or more entities.

"**Subordinated Obligation**" means any obligation which is Subordinated to any unsubordinated Borrowed Money obligation of the Reference Entity or which would be so Subordinated if any unsubordinated Borrowed Money obligation of the Reference Entity existed.

"**Subordinated Transaction**" means a Reference Entity for which the Reference Obligation or Prior Reference Obligation, as applicable, is a Subordinated Obligation.

"**Subordination**" means, with respect to an obligation (the "**Second Obligation**") and another obligation of the Reference Entity to which such obligation is being compared (the "**First Obligation**"), a contractual, trust or similar arrangement providing that (I) upon the liquidation, dissolution, reorganization or winding-up of the Reference Entity, claims of the holders of the First Obligation are required to be satisfied prior to the claims of the holders of the Second Obligation, or (II) the holders of the Second Obligation will not be entitled to receive or retain principal 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 First 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, (x) the existence of preferred creditors arising by operation of law or of collateral, credit support or other credit enhancement or security 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 and (y) in the case of the Reference Obligation or the Prior Reference Obligation, as applicable, the ranking in priority of payment shall be determined as of the date as of which it was issued or incurred (or in circumstances where the Reference Obligation or a Prior Reference Obligation is the Standard Reference Obligation and "Standard Reference Obligation" is applicable, then the priority of payment of the Reference Obligation or the Prior Reference Obligation, as applicable, shall be determined as of the date of selection) and, in each case, shall not reflect any change to such ranking in priority of payment after such date.

"**Substitute Reference Obligation**" means, with respect to a Non-Standard Reference Obligation to which a Substitution Event has occurred, the obligation that will replace the Non-Standard Reference Obligation, determined by the Calculation Agent as follows:

(a) The Calculation Agent shall identify the Substitute Reference Obligation in accordance with paragraphs (c), (d) and (e) below to replace the Non-Standard Reference Obligation; provided that the Calculation Agent will not identify an obligation as the Substitute Reference Obligation if, at the time of the determination, such obligation has already been rejected as the Substitute Reference Obligation by the relevant Credit Derivatives Determinations Committee and such obligation has not changed materially since the date of the relevant DC Resolution.

(b) If any of the events set forth under paragraphs (i) or (iii) of the definition of "Substitution Event" have occurred with respect to the Non-Standard Reference Obligation, the Non-Standard Reference Obligation will cease to be the Reference Obligation (other than for purposes of the "Not Subordinated" Obligation Characteristic or "Not Subordinated" Deliverable Obligation Characteristic and paragraph (c)(ii) below). If the event set forth in paragraph (ii) of the definition of "Substitution Event" has occurred with respect to the Non-Standard Reference Obligation and no Substitute Reference Obligation is available, the Non-Standard Reference Obligation will continue to be the Reference Obligation until the Substitute Reference Obligation is identified or, if earlier, until any of the events set forth under paragraphs (i) or (iii) of the definition of "Substitution Event" occur with respect to such Non-Standard Reference Obligation.

(c) The Substitute Reference Obligation shall be an obligation that on the Substitution Date:

(i) is a Borrowed Money obligation of the Reference Entity (either directly or as provider of a guarantee);

(ii) satisfies the Not Subordinated Deliverable Obligation Characteristic as of the date it was issued or incurred (without reflecting any change to the priority of payment after such date) and on the Substitution Date; and

(iii) A. if the Non-Standard Reference Obligation was a Conforming Reference Obligation when issued or incurred and immediately prior to the Substitution Event Date:

(I) is a Deliverable Obligation (other than a Loan) determined in accordance with paragraph (a) of the definition of "Deliverable Obligation"; or if no such obligation is available,

(II) is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with paragraph (a) of the definition of "Deliverable Obligation";

B. if the Non-Standard Reference Obligation was a Bond (or any other Borrowed Money obligation other than a Loan) which was a Non-Conforming Reference Obligation when issued or incurred and/or immediately prior to the Substitution Event Date:

(I) is a Non-Conforming Substitute Reference Obligation (other than a Loan); or if no such obligation is available,

(II) is a Deliverable Obligation (other than a Loan) determined in accordance with paragraph (a) of the definition of "Deliverable Obligation"; or if no such obligation is available,

(III) is a Non-Conforming Substitute Reference Obligation which is a Loan (other than a Private-side Loan); or if no such obligation is available,

(IV) is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with paragraph (a) of the definition of "Deliverable Obligation"; or

C. if the Non-Standard Reference Obligation was a Loan which was a Non-Conforming Reference Obligation when incurred and/or immediately prior to the Substitution Event Date:

(I) is a Non-Conforming Substitute Reference Obligation which is a Loan (other than a Private-side Loan); or if no such obligation is available,

(II) is a Non-Conforming Substitute Reference Obligation (other than a Loan); or if no such obligation is available,

(III) is a Deliverable Obligation (other than a Loan) determined in accordance with paragraph (a) of the definition of "Deliverable Obligation"; or if no such obligation is available,

(IV) is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with paragraph (a) of the definition of "Deliverable Obligation".

(d) If more than one potential Substitute Reference Obligation is identified pursuant to the process described in paragraph (c), the Substitute Reference Obligation will be the potential Substitute Reference Obligation that most closely preserves the economic equivalent of the delivery and payment obligations of the Credit Securities, as determined by the Calculation Agent. The Substitute Reference Obligation determined by the Calculation Agent shall, without further action, replace the Non-Standard Reference Obligation.

(e) If a Substitution Event has occurred with respect to the Non-Standard Reference Obligation and the Calculation Agent determines that no Substitute Reference Obligation is available for the Non-Standard Reference Obligation, then, subject to paragraph (a) and notwithstanding the fact that the Non-Standard Reference Obligation may have ceased to be the Reference Obligation in accordance with paragraph (b), the Calculation Agent shall continue to attempt to identify the Substitute Reference Obligation.

"**Substitute Reference Obligation Resolution Request Date**" means, with respect to a notice to the DC Secretary requesting that a Credit Derivatives Determinations Committee be convened to Resolve a Substitute Reference Obligation to the Non-Standard Reference Obligation, the date, as publicly announced by the DC Secretary, that the relevant Credit Derivatives Determinations Committee Resolves to be the date on which such notice is effective.

"**Substitution Date**" means, with respect to a Substitute Reference Obligation, the date on which the Calculation Agent identifies the Substitute Reference Obligation in accordance with the definition of "Substitute Reference Obligation".

"**Substitution Event**" means, with respect to the Non-Standard Reference Obligation:

(i) the Non-Standard Reference Obligation is redeemed in whole;

(ii) the aggregate amounts due under the Non-Standard Reference Obligation have been reduced by redemption or otherwise below USD 10,000,000 (or its equivalent in the relevant Obligation Currency, as determined by the Calculation Agent); or

(iii) for any reason, other than due to the existence or occurrence of a Credit Event, the Non-Standard Reference Obligation is no longer an obligation of the Reference Entity (either directly or as provider of a guarantee).

For purposes of identification of the Non-Standard Reference Obligation, any change in the Non-Standard Reference Obligation's CUSIP or ISIN number or other similar identifier will not, in and of itself, constitute a Substitution Event.

If an event described in paragraphs (i) or (ii) of the definition of "Substitution Event" has occurred on or prior to the Trade Date, then a Substitution Event shall be deemed to have occurred pursuant to such paragraph (i) or (ii), as the case may be, on the Trade Date.

"**Substitution Event Date**" means, with respect to the Reference Obligation, the date of the occurrence of the relevant Substitution Event.

"**succeed**" for the purposes of the provisions relating to the determination of a Successor and the definitions of "Successor" and "Sovereign Succession Event", means, with respect to the Reference Entity and its Relevant Obligations, that an entity other than the Reference Entity (i) assumes or becomes liable for such Relevant Obligations whether by operation of law or pursuant to any agreement (including, with respect to a Reference Entity that is a Sovereign, any protocol, treaty, convention,

accord, concord, entente, pact or other agreement), or (ii) issues Bonds or incurs Loans (the "**Exchange Bonds or Loans**") that are exchanged for Relevant Obligations, and in either case the Reference Entity is not thereafter a direct obligor or a provider of a Relevant Guarantee with respect to such Relevant Obligations or such Exchange Bonds or Loans, as applicable. For purposes of the provisions relating to the determination of a Successor and the definitions of "Successor" and "Sovereign Succession Event", "**succeeded**" and "**succession**" shall be construed accordingly.

"**Succession Date**" means the legally effective date of an event in which one or more entities succeed to some or all of the Relevant Obligations of the Reference Entity; provided that if at such time, there is a Steps Plan, the Succession Date will be the legally effective date of the final succession in respect of such Steps Plan, or if earlier (i) the date on which a determination pursuant to the definition of "Successor" would not be affected by any further related successions in respect of such Steps Plan, or (ii) the occurrence of an Event Determination Date in respect of the Reference Entity or any entity which would constitute a Successor.

"**Successor Backstop Date**" means for purposes of any Successor determination determined by DC Resolution, the date that is ninety calendar days prior to the Successor Resolution Request Date otherwise, the date that is ninety calendar days prior to the earlier of (i) the date on which the Calculation Agent determines a succession (or, in relation to a Reference Entity that is a Sovereign, a Sovereign Succession Event) has occurred and (ii) the Successor Resolution Request Date, in circumstances where (A) a Successor Resolution Request Date has occurred, (B) the relevant Credit Derivatives Determinations Committee has Resolved not to make a Successor determination and (C) the Calculation Agent determines, not more than fifteen Credit Security Business Days after the day on which the DC Secretary publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to make a Successor determination, a succession (or, in relation to a Reference Entity that is a Sovereign, a Sovereign Succession Event) has occurred. The Successor Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention.

"**Successor**" means, subject to Credit Security Condition 9(a)(ii), the entity or entities, if any, determined as follows:

(i) subject to paragraph (vii) below, if one entity succeeds, either directly or as a provider of a Relevant Guarantee, to seventy-five per cent or more of the Relevant Obligations of the Reference Entity, that entity will be the sole Successor in respect of the relevant Reference Entity;

(ii) if only one entity succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent (but less than seventy-five per cent) of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entity that succeeds to more than twenty-five 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 succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entities that succeed to more than twenty-five per cent of the Relevant Obligations will each be a Successor;

(iv) if one or more entities each succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent of the Relevant Obligations of the Reference Entity, and more than twenty-five 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 succeed, either directly or as a provider of a Relevant Guarantee, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than twenty-five per cent of the Relevant Obligations of the Reference Entity and the Reference Entity continues to exist, there will be no Successor and the Reference Entity will not be changed in any way as a result of such succession;

(vi) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than twenty-five 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 will be the Successor (provided that if two or more entities succeed to an equal percentage of Relevant Obligations, each such entity will be a Successor); and

(vii) in respect of a Reference Entity which is not a Sovereign, if one entity assumes all of the obligations (including at least one Relevant Obligation) of the Reference Entity, and at the time of the determination either (A) the Reference Entity has ceased to exist, or (B) the Reference Entity is in the process of being dissolved (howsoever described) and the Reference Entity has not issued or incurred any Borrowed Money obligation at any time since the legally effective date of the assumption, such entity (the "**Universal Successor**") will be the sole Successor for the relevant Reference Entity.

"**Successor Resolution Request Date**" means, with respect to a notice to the DC Secretary requesting that a Credit Derivatives Determinations Committee be convened to Resolve one or more Successors to the Reference Entity, the date, as publicly announced by the DC Secretary, that the relevant Credit Derivatives Determinations Committee Resolves to be the date on which such notice is effective.

"**Surviving Reference Entity**" has the meaning given to such term in Credit Security Condition 8(c)(ii) above.

"**TARGET Settlement Day**" means any day on which TARGET2 (the Trans-European Automated Real-time Gross settlement Express Transfer system) is open.

"**Trade Date**" means the date specified as such in the Final Terms.

"**Tranche Size**" means, in respect of Tranched Credit Securities, the Detachment Point minus the Attachment Point.

"**Tranched Credit Securities**" means Credit Securities where the Issuer purchases credit protection from the Securityholders in respect of a tranched basket of Reference Entities (other than on an Nth-to-default basis), as specified in the 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);

(b) restrictions on permitted investments such as statutory or regulatory investment restrictions on insurance companies and pension funds; or

(c) restrictions in respect of blocked periods on or around payment dates or voting periods.

"**Undeliverable Obligation**" means a Deliverable Obligation included in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable, which, on the Settlement Date for such Deliverable Obligation, the Calculation Agent determines for any reason (including without limitation, failure by the Securityholder to deliver a Physical Delivery Confirmation 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.

"**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, with respect to a guarantee, the obligation which is the subject of the guarantee.

"**Underlying Obligor**" means with respect to an Underlying Obligation, the issuer in the case of a Bond, the borrower in the case of a Loan, or the principal obligor in the case of any other Underlying Obligation.

"**Unsettled Credit Event**" means any Event Determination Date in respect of a Reference Entity for which the related Final Price Calculation Date has not occurred.

"**Unsettled Retention Amount**" means, in respect of Tranched Credit Securities in respect of which one or more Unsettled Credit Events has occurred, the sum of the maximum aggregate Incurred Loss Amounts and maximum aggregate Incurred Recovery Amounts which could be determined (assuming an Auction Final Price, Weighted Average Final Price or Final Price of zero in respect of each Unsettled Credit Event).

"**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 (or, if the Event Determination Date occurs pursuant to sub-paragraph (b) above of the definition of "Event Determination Date", the day on which the DC Credit Event Announcement occurs, if later), or, following any Auction Cancellation Date or No Auction Announcement Date, such later Credit Security Business Day, (in each case, as selected by the Calculation Agent acting in good faith and in a commercially reasonable manner); 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, or, following any Auction Cancellation Date or No Auction Announcement Date, such later Credit Security Business Day, (in each case, as selected by the Calculation Agent acting in good faith and in a commercially reasonable manner); 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 acting in good faith and in a commercially reasonable manner).

"**Valuation Obligation**" means, in respect of a Reference Entity, notwithstanding anything to the contrary in the Credit Security Conditions, one or more obligations of such Reference Entity (either directly or as provider of a Relevant Guarantee) which is capable of being specified in a Notice of Physical Settlement (or in any NOPS Amendment Notice, as applicable) if Physical Settlement were the applicable Settlement Method and/or any Asset in the related Asset Package in respect of a Prior

Deliverable Obligation or Package Observable Bond, in each case, as selected by the Issuer in its sole and absolute discretion on or prior to the applicable Valuation Date, provided that, for such purpose:

(a) any reference to "Delivery Date" or "NOPS Effective 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"; and

(b) in respect of any Asset in the related Asset Package in respect of a Prior Deliverable Obligation or Package Observable Bond, any reference to "Outstanding Principal Balance", "Due and Payable Amount" or "Outstanding Amount" in the definitions of "Final Price", "Full Quotation", "Quotation", "Quotation Amount" and "Weighted Average Quotation" shall be deemed to be a reference to the words "Outstanding Amount of the relevant Prior Deliverable Obligation or Package Observable Bond immediately prior to the Asset Package Credit Event".

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 Amount (or, as the case may be, an Outstanding Amount of the relevant Prior Deliverable Obligation or Package Observable Bond immediately prior to the Asset Package Credit Event) selected by the Calculation Agent acting in good faith and in a commercially reasonable manner (and references to "Quotation Amount" shall be construed accordingly), provided that the aggregate of such Outstanding Amounts (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 acting in good faith and in a commercially reasonable manner)), shall not exceed the relevant Reference Entity Notional Amount.

"**Valuation Time**" means the time specified in relation to a Reference Entity or, if no such time is 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**" means the 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). If Credit Security Condition 2(b) is specified not to be applicable in the

Final Terms, the Weighted Average Final Price shall be zero and if the Final Price is specified in the Final Terms, such price shall be the Weighted Average Final Price.

"**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 or Due and Payable Amount, as applicable (or its equivalent in the relevant currency converted by the Calculation Agent in a commercially reasonable manner by reference to exchange rates in effect at the time of such determination), of as large a size as available but less than the Quotation Amount (in the case of Deliverable Obligations only, but of a size at least equal to the Minimum Quotation Amount) that in the aggregate are approximately equal to the Quotation Amount.

"**Writedown Amount**" means, in respect of an Event Determination Date relating to a Reference Entity, the aggregate of the Incurred Loss Amounts (if any) and if Incurred Recoveries are specified as applicable in the Final Terms, Incurred Recovery Amounts (if any) for the related Final Price Calculation Date and any related Aggregate Unwind Costs.

ANNEX A TO THE ADDITIONAL TERMS AND CONDITIONS FOR CREDIT SECURITIES

AUCTION SETTLEMENT

Capitalized terms used but not defined in this summary have the meaning specified in the Rules and the Form of Auction Settlement Terms (as defined below or in Annex B to the Additional Terms and Conditions for Credit Securities). All times of day in this summary refer to such times in London.

Publication of Credit Derivatives Auction Settlement Terms

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 a specified Auction Final Price determined in accordance with an auction procedure (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 first published as 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**"). Securityholders 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. 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 Credit Securities. A copy of the Form of Auction Settlement Terms may be inspected at the offices of the Issuer and is also currently available at www.isda.org (or any successor website thereto). Examples of specific Auction Settlement Terms used for specific Credit Events are available on ISDA's Credit Derivatives Determinations Committees website at https://dc.isda.org/credit-default-swaps-archive/. The Credit Derivatives Determinations Committee will additionally 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 Committee 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 seller (in which case, such commitment will be a "Physical Settlement Buy Request") or as buyer (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 Market 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.

Restructuring

Following certain Restructuring credit events, 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.

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.

ANNEX B TO THE ADDITIONAL TERMS AND CONDITIONS FOR CREDIT SECURITIES

CREDIT DERIVATIVES DETERMINATIONS COMMITTEES

In making certain determinations with respect to the Credit Securities, the Calculation Agent may but is not bound to follow or act in accordance with any determination of the relevant Credit Derivatives Determinations Committees. This Annex sets forth a summary of the Credit Derivatives Determinations Committees Rules, as published by ISDA on its Credit Derivatives Determinations Committees website at dc.isda.org (or any successor website thereto) as of 20 January 2016 as amended on 9 March 2018 (the "**Rules**") and is subject to the rules as published by ISDA from time to time and as amended from time to time. This summary is not intended to be exhaustive and prospective investors should also read the Rules and reach their own views prior to making any investment decisions. A copy of the Rules published by ISDA is available at: dc.isda.org (or any successor website thereto).

Capitalised terms used but not defined in this summary have the meaning specified in the Final Terms or the Rules, as applicable.

Establishment of the Credit Derivatives Determinations Committees

In accordance with the Rules, a Credit Derivatives Determinations Committee has been formed for each of the regions of (a) the Americas, (b) Asia Ex-Japan, (c) Australia-New Zealand, (d) Europe, Middle East and Africa and (e) Japan. As of the date hereof, the Calculation Agent (or one of its Affiliates) is neither a voting member nor a non-voting member on any of the Credit Derivatives Determinations Committees, though it could potentially become a voting member or a non-voting member on future Credit Derivatives Determinations Committees (the list of members is updated in April of each year, see the ISDA Credit Derivatives Determinations Committees website at https://dc.isda.org/about-dc-committees/ for information about them). See "Risk Factors – Conflicts of Interest – Credit Derivatives Determinations Committees" for additional information regarding conflicts of interest. The Credit Derivatives Determinations Committees will act in accordance with the Rules and will make determinations that are relevant for Credit Derivative Transactions that incorporate, or are deemed to incorporate, either the 2014 ISDA Credit Derivatives Definitions, as amended from time to time (the "**2014 Definitions**") or the 2003 ISDA Credit Derivatives Definitions as supplemented by the 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement to the 2003 ISDA Credit Derivatives Definitions, published by ISDA on 14 July 2009 (the "**Updated 2003 Definitions**"). ISDA currently serves as the secretary of each Credit Derivatives Determinations Committee and will perform administrative duties and make certain determinations as provided for under the Rules.

Decision-making Process of the Credit Derivatives Determinations Committees

Each DC Resolution by a Credit Derivatives Determinations Committee will apply to Credit Derivative Transactions that incorporate, or are deemed to incorporate, the 2014 Definitions or the Updated 2003 Definitions (depending on the applicable "Coverage Election" and subsequent determinations of the Credit Derivatives Determinations Committee) and for which the relevant provisions are not materially inconsistent with the provisions with respect to which the Credit Derivatives Determinations Committee bases its determination. As a result, determinations by the Credit Derivatives Determinations Committees are not

applicable to the Securityholders, unless specified otherwise in the terms of the Credit Securities. The Credit Derivatives Determinations Committees shall have no ability to amend the terms of the Credit Securities. Furthermore, the institutions on the Credit Derivatives Determinations Committees owe no duty to the Securityholders. See "Risk Factors - Risks Associated with Credit Derivatives Determinations Committees" for further information. The terms of the Credit Securities provide that the Securityholders will be subject to certain determinations by the Credit Derivatives Determinations Committees. The Credit Derivatives Determinations Committees will be able to make determinations without action or knowledge by the Securityholders.

A Credit Derivatives Determinations Committee will be convened upon referral of (i) a question to ISDA by an identified eligible market participant and the agreement of at least one of the voting members of the relevant Credit Derivatives Determinations Committee to deliberate the question, or (ii) a question to ISDA by an unidentified eligible market participant and the agreement of at least two of the voting members of the relevant Credit Derivatives Determinations Committee to deliberate the question, or (iii) a question to ISDA by an eligible market participant which is an Eligible CCP (being an eligible clearing entity) and such question is not designated as a "General Interest Question" and relates to an eligible cleared Reference Entity with respect to such Eligible CCP and to certain specified matters such as a Credit Event, Potential Repudiation/Moratorium and/or Successor. ISDA will convene the Credit Derivatives Determinations Committee for the region to which the referred question relates, as determined in accordance with the Rules. Any party to a transaction that incorporates, or is deemed to incorporate, the 2014 Definitions or the Updated 2003 Definitions may refer a question to ISDA for a Credit Derivatives Determinations Committee to consider. Therefore, a binding determination may be made with respect to the Credit Securities without any action by the Securityholders. Securityholders (in their capacity as holders of the Credit Securities) will not be able to refer questions to the Credit Derivatives Determinations Committees.

Once a question is referred to a Credit Derivatives Determinations Committee, a DC Resolution may result quickly, as a binding vote usually must occur within two business days of the first meeting held with respect to such question unless the timeframe is extended by agreement of at least 80% of the voting members participating in a vote held in accordance with the Rules. In addition, voting members of the Credit Derivatives Determinations Committees are required to participate in each binding vote, subject only to limited abstention rights. Notices of questions referred to the Credit Derivatives Determinations Committees, meetings held to deliberate such questions, meeting statements and the results of binding votes will be published on the ISDA website and neither the Issuer, the Calculation Agent nor any of their respective Affiliates shall be obliged to inform the Securityholders of such information (other than as expressly provided in the Final Terms). Securityholders shall therefore be responsible for obtaining such information. See "Risk Factors – Risks Associated with Credit Derivatives Determinations Committees".

The Credit Derivatives Determinations Committees have the ability to make determinations that may materially affect the Securityholders. The Credit Derivatives Determinations Committees will be able to make a broad range of determinations in accordance with the Rules that may be relevant to the Credit Securities and materially affect the Securityholders. For each of the general types of questions discussed below, the Credit Derivatives Determinations Committees may determine component questions that arise under the 2014 Definitions or the Updated 2003 Definitions, or the Rules and that are related to the initial question referred. Since the terms

governing the credit-linked elements of the Credit Securities are substantially similar to the 2014 Definitions or, as the case may be, the Updated 2003 Definitions, such determinations may affect the Securityholders, as further described below.

Credit Events

The Credit Derivatives Determinations Committees will be able to determine whether a Credit Event has occurred and, if applicable, the date of such Credit Event. Related questions that are also within the scope of the Credit Derivatives Determinations Committees are whether a Potential Failure to Pay or a Potential Repudiation/Moratorium has occurred. In addition, the Credit Derivatives Determinations Committees will also determine, where necessary, whether the required Publicly Available Information has been provided. Each of these determinations, other than whether the required Publicly Available Information has been provided, requires the agreement of at least 80% of the voting members participating in a binding vote held in accordance with the Rules in order to avoid the referral of the question to the external review process, as described further below. The determination of whether the required Publicly Available Information has been provided requires the agreement of at least a majority of the voting members participating in a binding vote held in accordance with the Rules and is not eligible for external review. Each of these determinations may affect whether an Event Determination Date will occur under the Credit Securities. If the Credit Derivatives Determinations Committee Resolves that a Credit Event has occurred with respect to one of the Reference Entity(ies) on or after the Credit Event Backstop Date, then an Event Determination Date is deemed to have occurred in respect of the Credit Securities.

Successors

The Credit Derivatives Determinations Committees will be able to determine whether there are any Successor or Successors to a Reference Entity and the relevant Succession Date. In addition, the Credit Derivatives Determinations Committees will also determine the identity of the Successor(s) in accordance with the Rules. For a Reference Entity that is not a Sovereign, the Credit Derivatives Determinations Committees will determine the Relevant Obligation(s) of the Reference Entity (including any adjustments required to be made if there is a Steps Plan), the proportion of the Relevant Obligation(s) to which each purported Successor succeeds and the Succession Date. For a Reference Entity that is a Sovereign, the Credit Derivatives Determinations Committees will determine the Relevant Obligation(s) of the Reference Entity (including any adjustments to be made if there is a Steps Plan), whether a Sovereign Succession Event has occurred, if so the proportion of the Relevant Obligation(s) to which each purported Successor succeeds, and the Succession Date. Each of these determinations requires the agreement of at least 80% of the voting members participating in a binding vote held in accordance with the Rules in order to avoid the referral of the question to the external review process, as described further below, except for the actual identification of the Successor(s) for a Reference Entity (which only requires a majority and is not eligible for external review). The Calculation Agent may use the relevant DC Resolutions of the Credit Derivatives Determinations Committees in order to determine Successor(s) to the Reference Entity(ies).

Other Questions

The Credit Derivatives Determinations Committees will be able to determine whether circumstances have occurred that require a Substitute Reference Obligation to be identified and, if so, the appropriate Substitute

Reference Obligation. The Credit Derivatives Determinations Committees may also make determinations in relation to (i) Standard Reference Obligations and if applicable replacement Standard Reference Obligations in accordance with the Standard Reference Obligation Rules and (ii) whether or not Asset Package Delivery is applicable pursuant to the 2014 Definitions and if so, any Asset Package relating to a Prior Deliverable Obligation or Package Observable Bond, as applicable. In addition, the Credit Derivatives Determinations Committees will be able to determine whether an entity that acts as seller of protection under one or more transactions (such entity, the "Relevant Seller") or a Reference Entity has consolidated or amalgamated with, or merged into, or transferred all or substantially all its assets to, the Reference Entity or the Relevant Seller, as applicable, or that the Relevant Seller and the Affected Reference Entity have become Affiliates. Each of these determinations requires the agreement of at least 80% of the voting members participating in a binding vote held in accordance with the Rules in order to avoid the referral of the question to the external review process, as described further below. The Calculation Agent may follow such DC Resolutions in making the equivalent determinations with respect to the Credit Securities.

The Credit Derivatives Determinations Committees will be able to determine other referred questions that are relevant to the credit derivatives market as a whole and are not merely a matter of bilateral dispute. Such questions require the agreement of at least 80% of the voting members participating in a binding vote held in accordance with the Rules for each Credit Derivatives Determinations Committee implicated by the relevant question, as determined in accordance with the Rules, in order to avoid the possible referral of the question to the external review process, as described further below. Furthermore, the question relating to such DC Resolution may also be referred to the external review process if at least a majority of the voting members participating in a binding vote held in accordance with the Rules agree. Any guidance given by the Credit Derivatives Determinations Committees with respect to questions of interpretation of the 2014 Definitions or, as the case may be, the Updated 2003 Definitions are likely to influence the Calculation Agent in interpreting equivalent provisions under the Credit Securities.

Any such question can be submitted to the Credit Derivatives Determinations Committees by an unidentified eligible market participant for deliberation. The relevant Credit Derivatives Determinations Committee(s) will deliberate such question upon the agreement of at least two of the voting members of the relevant Credit Derivatives Determinations Committee to deliberate the question. Once the deliberations on such question have commenced, the relevant Credit Derivatives Determinations Committee will proceed in accordance with the procedures described above with respect to the relevant question category, except that the identity of the eligible market participant who submitted the question will not be revealed to the members of the Credit Derivatives Determinations Committees or the general public.

External Review

As described immediately above, certain questions deliberated by the Credit Derivatives Determinations Committees are subject to an external review process if the required threshold is not met during the binding vote held with respect to such question. For such questions, if at least 80% of the voting members participating in a binding vote held in accordance with the Rules fail to agree, the question will be automatically referred to the external review process. Questions that are not eligible for external review often require only a simple majority of participating voting members to agree in order to reach a DC Resolution.

Questions referred to external review will be considered by a panel of three independent individuals who will be selected by either the relevant Credit Derivatives Determinations Committee or by ISDA at random. The default duration of the external review process (which can be modified by the relevant Credit Derivatives Determinations Committee in accordance with the Rules) is twelve business days from the referral of the question and contemplates the receipt of both written submissions and oral argument. Any member of ISDA may provide written submissions to the external reviewers, which will be made available to the public on the ISDA website, and the conclusion reached in accordance with the external review process will be binding on the Securityholders. In instances where the vote of the relevant Credit Derivatives Determinations Committee was less than or equal to 60%, the decision of a majority of the external reviewers will be determinative. However, in instances where the vote of the relevant Credit Derivatives Determinations Committee was between 60% and 80%, all three external reviewers must agree in order to overturn the vote of the Credit Derivatives Determinations Committee.

Securityholders should be aware that the external reviewers may not consider new information that was not available to the relevant Credit Derivatives Determinations Committee at or prior to the time of the binding vote and questions may be returned to the Credit Derivatives Determinations Committee for another vote if new information becomes available. In addition, if the external reviewers fail to arrive at a decision for any reason, the entire process will be repeated. As a result, the external review process may be elongated in certain situations, leaving questions that may materially affect the Securityholders unresolved for a period of time.

The Composition of the Credit Derivatives Determinations Committees

Each Credit Derivatives Determinations Committee is composed of fifteen voting members and up to three non-voting consultative members (currently none). Ten of the voting members are dealer institutions, with eight serving across all regions and two potentially varying by region. The other five voting members are non-dealer institutions that serve across all regions. The three non-voting consultative members would consist of one dealer institution and one non-dealer institution that serve across all regions and one dealer institution that could potentially vary by region. There may also be one or more CCP non-voting members for specific regions.

Securityholders will have no role in the composition of the Credit Derivatives Determinations Committees. Separate criteria apply with respect to the selection of dealer and non-dealer institutions to serve on the Credit Derivatives Determinations Committees and the Securityholders will have no role in establishing such criteria. In addition, the composition of the Credit Derivatives Determinations Committees 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 Securityholders will have no control over the process for selecting institutions to participate on the Credit Derivatives Determinations Committees and, to the extent provided for in the Credit Securities, will be subject to the determinations made by such selected institutions in accordance with the Rules.

Securityholders will have no recourse against either the institutions serving on the Credit Derivatives Determinations Committees or the external reviewers. Institutions serving on the Credit Derivatives Determinations Committees and the external reviewers, among others, disclaim any duty of care or liability arising in connection with the performance of duties or the provision of advice under the Rules, except in the case of gross negligence, fraud or wilful misconduct. Furthermore, the institutions on the Credit Derivatives

Determinations Committees do not owe any duty to the Securityholders and the Securityholders will be prevented from pursuing claims with respect to actions taken by such institutions under the Rules.

Securityholders should also be aware that institutions serving on the Credit Derivatives Determinations Committees have no duty to research or verify the veracity of information on which a specific determination is based. In addition, the Credit Derivatives Determinations Committees are not obligated to follow previous determinations and, therefore, could reach a conflicting determination for a similar set of facts.

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

Amendments to the Rules

The Rules may be amended from time to time without the consent or input of the Securityholders and the powers of the Credit Derivatives Determinations Committees may be expanded or modified as a result.

ANNEX 13

ADDITIONAL TERMS AND CONDITIONS FOR OET CERTIFICATES

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Certificates specified in the applicable Final Terms as OET Certificates shall comprise the terms and conditions of Securities (the "**Security Conditions**") and the additional Terms and Conditions for OET Certificates set out below (the "**OET Certificate Conditions**"), in each case together with any other additional terms and conditions specified in the applicable Final Terms and subject to completion in the applicable Final Terms. In the event of any inconsistency between (i) the Security Conditions and (ii) the OET Certificate Conditions, the OET Certificate Conditions shall prevail.

1. Definitions

"**Automatic Early Settlement Amount**" means an amount in the Settlement Currency equal to the Automatic Early Settlement Payout set out in the applicable Final Terms. If the Automatic Early Settlement Payout is zero, no amount shall be payable on settlement of the Certificate pursuant to OET Certificate Condition 2 (*Automatic Early Settlement).*

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

"**Automatic Early Settlement Event**" means that, as determined by the Calculation Agent, at the Observation Time(s) on an Automatic Early Settlement Valuation Date (the "**Relevant Automatic Early Settlement Valuation Date**"):

(a) with respect to an OET Call Certificate, the Observation Price is less than or equal to the applicable Security Threshold; or

(b) with respect to an OET Put Certificate, the Observation Price is greater than or equal to the applicable Security Threshold;

"**Automatic Early Settlement Valuation Date**" means each Relevant Business Day from (and including) the Issue Date (notwithstanding the occurrence of (in the case of Index OET Certificates, Share OET Certificates, ETI OET Certificates or Currency OET Certificates) a Disrupted Day, (in the case of Commodity OET Certificates, a Commodity Disrupted Day or (otherwise) a Market Disruption Event);

"**Capitalised Exercise Price**" or "**CEP_t**" means, in respect of a calendar day (day_t), an amount calculated as follows and rounded upwards or downwards in accordance with the Capitalised Exercise Price Rounding Rule specified in the applicable Final Terms:

$CEP_t = CEP_{t-1} * (1 + \text{Financing Rate}_{t-1})^{1/360}$

Except that:

(a) with respect to Share OET Certificates, ETI OET Certificates and Index OET Certificates (where dividends on the index Shares (as defined below) are not reinvested in the relevant index), and where day_t is an Ex-Dividend Date, the Capitalised Exercise Price will be calculated as follows and rounded upwards or downwards in accordance with the Capitalised Exercise Price Rounding Rule specified in the applicable Final Terms:

$CEP_t = CEP_{t-1} * (1 + \text{Financing Rate}_{t-1})^{1/360} - \text{Dividend Adjustment Amount}$

(b) with respect to Rolling Futures Contract Securities, and where day_t is a Futures Rollover Date, the Capitalised Exercise Price will be calculated as follows and rounded upwards or downwards in accordance with the Capitalised Exercise Price Rounding Rule specified in the applicable Final Terms:

$CEP_t = CEP_{t-1} * (1 + \text{Financing Rate}_{t-1})^{1/360} + \text{Futures Rollover Adjustment Amount}$

(c) with respect to Index OET Call Certificates (where dividends on the Index Shares (as defined below) are reinvested in the relevant Index), and where day_t is an Ex-Dividend Date, the Capitalised Exercise Price will be calculated as follows and rounded upwards or downwards in accordance with the Capitalised Exercise Price Rounding Rule specified in the applicable Final Terms:

$CEP_t = CEP_{t-1} * (1 + \text{Financing Rate}_{t-1})^{1/360} + \text{Applicable Withholding Tax}$

for the purposes of this definition:

"**Applicable Withholding Tax**" means an amount calculated by the Calculation Agent equal to the taxes deducted or withheld at source by or on behalf of any applicable authority having the power to tax in respect of the cash dividends and/or other cash distributions payable in respect of the relevant Index Share related to the Ex-Dividend Date pursuant to the applicable double taxation treaty or domestic law prevailing at the time of the distribution;

"**CEP_{t-1}**" means the Capitalised Exercise Price applicable on day_{t-1}, provided that the Capitalised Exercise Price applicable on the Issue Date shall be equal to the Exercise Price;

"**Dividend Adjustment Amount**" means, in respect of an Ex-Dividend Date, an amount determined by the Calculation Agent equal to (i) the sum of the gross cash dividends and/or other cash distributions payable in respect of the relevant Underlying Reference (or in the case of an Index, in respect of each Index Share) related to such Ex-Dividend Date multiplied by (ii) the Dividend Percentage;

"**Dividend Percentage**" means the percentage specified as such in the applicable Final Terms, provided that the Calculation Agent acting in good faith and in a commercially reasonable manner, may increase such percentage to reflect any imposition of or adjustment to, any taxes which are deducted or withheld at source by or on behalf of any applicable authority having the power to tax in respect of cash dividends and/or other cash distributions payable in respect

of the relevant Underlying Reference (or in the case of an Index, in respect of each Index Share). If the Dividend Percentage is adjusted as provided herein, the adjusted Dividend Percentage, will be notified to Holders in accordance with Security Condition 8 (*Notices*) as soon as reasonably practicable following such adjustment;

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

"**Financing Rate$_{t-1}$**" means, the Financing Rate applicable on day$_{t-1}$;

"**Futures Rollover Adjustment Amount**" means an amount, which may be positive or negative, calculated by the Calculation Agent representing the cost to the Issuer and/or its Affiliates of unwinding its hedging arrangements in the Current Exchange-traded Contract or the relevant Futures Contract, as the case may be, less the cost to the Issuer and/or its Affiliates of establishing hedging arrangements in the next Current Exchange-traded Contract or Futures Contract, as the case may be, in each case in respect of the relevant Futures Rollover Date, such amount to be allocated *pro rata* amongst the Certificates.

The Capitalised Exercise Price will be made available (subject to technical failure) during normal business hours on any Local Business Day during the term of the OET Certificates, on the OET Website(s) specified in the applicable Final Terms or such other website as may be notified to the Securityholders;

"**Conversion Rate Final**" means, in respect of a day, the rate of exchange (including any rates of exchange pursuant to which the relevant rate of exchange is derived) between the currency of the relevant Underlying Reference and the Settlement Currency, as specified as such in the applicable Final Terms on such day;

"**Ex-Dividend Date**" means, with respect to a Share, ETI Interest (in respect of which a dividend is paid) or share comprising an Index (an "**Index Share**"), the date on which such Share, ETI Interest or Index Share becomes "ex-dividend" as determined by the Calculation Agent;

"**Final Price**" means the Settlement Price or, in the case of Commodity Securities, the Relevant Price on the Valuation Date or Optional Settlement Valuation Date, as applicable;

"**Final Price Early**" means the price of the relevant Underlying Reference, determined by the Calculation Agent on the basis of the price obtained by unwinding any underlying related hedging arrangements in respect of the relevant OET Certificates during the three-hour period immediately following the occurrence of the relevant Automatic Early Settlement Event, provided that (i) the Final Price Early in respect of an OET Call Certificate will be no lower than the lowest Observation Price and (ii) the Final Price Early in respect of an OET Put Certificate will be no greater than the highest Observation Price, in each case determined by the Calculation Agent during such three-hour period, or otherwise, during the opening hours of the relevant Exchange. With respect to OET Certificates relating to an Index, Share or ETI Interest, the above-mentioned three-hour period shall be counted during the opening hours of the relevant Exchange. Accordingly, if the period between the occurrence of the

Automatic Early Settlement Event and the official closing time of the relevant Exchange is less than three hours, then the observation period shall extend to the following Relevant Business Day, until a full period of three hours has passed since the occurrence of the Automatic Early Settlement Event. With respect to Currency OET Certificates and Commodity OET Certificates, if a period during a Relevant Business Day is specified in the applicable Final Terms as the Observation Time and the period between the occurrence of the Automatic Early Settlement Event and the end of that period is less than the above mentioned three-hour period, then the observation period shall extend to the following Relevant Business Day beginning at 8:00 am (CET time) until a full period of three hours has passed since the occurrence of the Automatic Early Settlement Event;

"**Financing Rate**" means, if applicable, in respect of a calendar day (day_t), the rate calculated as

Financing Rate Percentage + Interbank Rate 1 – Interbank Rate 2;

"**Financing Rate Percentage**" means, in the case of OET Call Certificates, the positive rate and, in the case of OET Put Certificates, the negative rate, specified in the applicable Final Terms Provided that the Calculation Agent may, in its sole and absolute discretion, select an alternative rate which must be within the Financing Rate Range;

"**Financing Rate Range**" means the range specified as such in the applicable Final Terms;

"**Interbank Rate 1**" means the offered quotation which appears on the Interbank Rate 1 Screen Page at the Interbank Rate 1 Specified Time on day_t as determined by the Calculation Agent. In the event that the Interbank Rate 1 Screen Page is not available, or no such offered quotation appears, the Calculation Agent will determine the Interbank Rate 1 as the rate it determines would have prevailed but for such non-availability or other event acting in good faith and in a commercially reasonable manner;

"**Interbank Rate 1 Screen Page**" means the source specified in the applicable Final Terms;

"**Interbank Rate 1 Specified Time**" means the time specified in the applicable Final Terms or, if no such time is specified, the customary time as of which the relevant Interbank Rate 1 is published;

"**Interbank Rate 2**" means the offered quotation which appears on the Interbank Rate 2 Screen Page at the Interbank Rate 2 Specified Time on day_t as determined by the Calculation Agent. In the event that the Interbank Rate 2 Screen Page is not available or no such offered quotation appears, the Calculation Agent will determine the Interbank Rate 2 as the rate it determines would have prevailed but for such non-availability or other event acting in good faith and in a commercially reasonable manner;

"**Interbank Rate 2 Screen Page**" means the source specified in the applicable Final Terms;

"**Interbank Rate 2 Specified Time**" means the time specified in the applicable Final Terms or, if no such time is specified, the customary time as of which the relevant Interbank Rate 2 is published;

"**Local Business Day**" means a day (other than a Saturday or a Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the Local Business Day Centre(s) specified in the applicable Final Terms;

"**Observation Price**" means the "official level", "opening price", "official close", "closing price", "purchase price", "sale price", "last price", "bid price", "asked price", "traded price", "official settlement price", "daily settlement price" as specified in the applicable Final Terms, of the Underlying Reference published by the Observation Price Source as determined by the Calculation Agent at the Observation Time(s);

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

"**Observation Time(s)**" means the time(s) or period(s) of observation specified as such in the applicable Final Terms;

"**Relevant Business Day**" means, unless otherwise specified in the applicable Final Terms, an Exchange Business Day (in respect of OET Certificates other than Commodity OET Certificates, or Currency OET Certificates), a Commodity Business Day (in respect of Commodity Securities) or a Scheduled Trading Day (in respect of Currency Securities), as applicable;

"**Reset Date**" means, unless otherwise specified in the applicable Final Terms, each calendar day in the period from and excluding the Issue Date to and including the Settlement Date;

"**Security Percentage**" means the percentage specified as such in the applicable Final Terms. The Security Percentage may be adjusted by the Calculation Agent on each Reset Date in order to take into account changes in market conditions (including, in particular, volatility), provided that the adjusted Security Percentage (a) unless the Security Percentage is equal to zero, falls between the "Minimum Security Percentage" and the "Maximum Security Percentage" specified in the applicable Final Terms and (b) does not trigger the occurrence of an Automatic Early Settlement Event;

"**Security Threshold**" means the amount calculated as follows by the Calculation Agent and rounded upwards or downwards in accordance with the Security Threshold Rounding Rule specified in the applicable Final Terms:

(a) in the case of OET Call Certificates, an amount equal to the product, rounded in accordance with the Security Threshold Rounding Rule specified in the applicable Final Terms, of (i) the Capitalised Exercise Price as at the relevant Reset Date and (ii) one, plus the Security Percentage; and

(b) in the case of OET Put Certificates, an amount equal to the product, rounded in accordance with the Security Threshold Rounding Rule, (i) of the Capitalised Exercise Price as at the relevant Reset Date and (ii) one, minus the Security Percentage.

The Security Threshold calculated pursuant to the foregoing shall, subject as provided below, be published for information purposes only (subject to technical problems) during normal business hours

on any Local Business Day during the term of the relevant OET Certificates on the OET Website(s) specified in the applicable Final Terms or such other website as may be notified to the Securityholders.

The Security Threshold, from time to time, calculated by the Calculation Agent shall prevail over the Security Threshold published on the OET Website(s), which is published for information purposes only and may subsequently be corrected should the amount published differ from the Security Threshold calculated by the Calculation Agent.

"**Settlement Currency**" means Euro, unless otherwise specified in the applicable Final Terms;

"**Underlying Reference**" means the relevant Index, Share, ETI Interest, Commodity, Alternative Currency, Debt Instrument or other basis of reference to which the relevant Certificates relate, as specified in the Product Specific Provisions of the applicable Final Terms; and

"**Valuation Date**" means:

(a) the date designated as such by the Issuer, in its sole and absolute discretion, provided that such date is determined by the Issuer and notified to the Securityholders in accordance with Security Condition 8 (*Notices*) at the latest on the tenth (10th) Relevant Business Day preceding the contemplated Valuation Date or, if such date is not a Relevant Business Day, the next following Relevant Business Day. Other than in the case of Commodity OET Certificates, the provisions of (a)(i), (a)(ii), (a)(iii) or (a)(iv), as applicable, of the definition of "Valuation Date" in Security Condition 3 (*Definitions)* shall apply if any such day is a Disrupted Day and, in the case of Commodity OET Certificates, the provisions of the definition of "Pricing Date" in the Commodity Security Conditions will apply if such day is a Commodity Disrupted Day; or

(b) if Automatic Early Settlement is specified as being applicable in the applicable Final Terms and an Automatic Early Settlement Event occurs, the Relevant Automatic Early Settlement Valuation Date or if such date is not a Relevant Business Day, the next following Relevant Business Day,

in each case, subject to adjustment in accordance with the relevant Conditions.

If (i) the Issuer designates a date as being the Valuation Date in accordance with these Terms and Conditions and (ii) an Automatic Early Settlement Event occurs after such designation but prior to the designated Valuation Date, then the Valuation Date shall be deemed to be the Relevant Automatic Early Settlement Valuation Date as determined pursuant to this definition.

2. Automatic Early Settlement

If "Automatic Early Settlement" is specified as being applicable in the applicable Final Terms, then unless previously settled or purchased and cancelled, if an Automatic Early Settlement Event occurs, then the Certificates will be automatically settled in whole, but not in part, on the date falling the number of Business Days specified in the applicable Final Terms following the Valuation Date (the

"**Automatic Early Settlement Date**") and the amount payable by the Issuer upon settlement of each Certificate shall be an amount equal to the relevant Automatic Early Settlement Amount.

INDEX OF DEFINED TERMS IN RESPECT OF THE SECURITIES

"$\mathbf{div_t^{gross}}$" is as defined in Formulas Condition 1.1(hh);

"$\mathbf{div_t^{net}}$" is as defined in Formulas Condition 1.1(hh);

"$\boldsymbol{rc_t}$" is as defined in Formulas Condition 1.1(hh);

"$\boldsymbol{rc_{t-1}}$" is as defined in Formulas Condition 1.1(hh);

"$\boldsymbol{r_{t-1}^{u}}$" is as defined in Formulas Condition 1.1(hh);

"$\boldsymbol{r_{t-1}^{ub}}$" is as defined in Formulas Condition 1.1(hh);

"$\boldsymbol{r_{t-1}^{ur}}$" is as defined in Formulas Condition 1.1(hh);

"**1/1**" is as defined in Security Condition 22 (n);

"**10-year Limitation Date**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**2.5-year Limitation Date**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**2-Way Percentage**" is as defined in Formulas Condition 1.1(nn);

"**30/360**" is as defined in Security Condition 22(n);

"**30E/360 (ISDA)**" is as defined in Security Condition 22 (n);

"**30E/360**" is as defined in Security Condition 22(n);

"**360/360**" is as defined in Security Condition 22(n);

"**A**" is as defined in Security Condition 13.2(c), in Formulas Condition 1.1(ggg), in Formulas Condition 1.1(jjj), in Formulas Condition 5.1(i), in Formulas Condition 5.1 (m), in Formulas Condition 5.1 (n), in Credit Security Condition 13 (*Definitions*), in ETI Security Condition 6.2(b), in Share Security Condition 5.2(e);

"**a**" is as defined in Formulas Condition 1.1(ggg), in Formulas Condition 1.1(jjj), in Formulas Condition 5.1(m) and 5.1(n);

"**Accelerated or Matured**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**AC Barrier Value**" is as defined in Formulas Condition 7 (*General Formulas Definitions*);

"**ACT Day**" is as defined in Formulas Condition 1.1(s), in Formulas Condition 3.1(a) and in Formulas Condition 8.1(e);

"**$ACT_{(i,i-1)}$**" is as defined in Formulas Condition 1.1 (s);

"**$ACT_{(t,t-1)}$**" is as defined in Formulas Condition 3.1(a);

"**$Act_{(t-1,t)}$**" is as defined in Formulas Condition 8.1(e);

"Actual Dividend" is as defined in Share Security Condition 4 *(Dividend Event);*

"**Actual First Traded Price**" is as defined in Index Security Condition 5.1;

"**Actual/360**" is as defined in Security Condition 22 (n);

"**Actual/365 (Fixed)**" is as defined in Security Condition 22 (n);

"**Actual/Actual (ICMA)**" is as defined in Security Condition 22 (n);

"**Actual/Actual (ISDA)**" is as defined in Security Condition 22 (n);

"**Actual/Actual**" is as defined in Security Condition 22 (n);

"**Additional Coupon**" is as defined in Formulas Condition 7 (*General Formulas Definitions)*;

"**Additional Coupon$_{(i)}$**" is as defined in Formulas Condition 7 (*General Formulas Definitions)*;

"**Additional Coupon 1**" is as defined in Formulas Condition 7 (*General Formulas Definitions)*;

"**Additional Coupon 1$_{(i)}$**" is as defined in Formulas Condition 7 (*General Formulas Definitions)*;

"**Additional Coupon 2**" is as defined in Formulas Condition 7 (*General Formulas Definitions)*;

"**Additional Coupon 2$_{(i)}$**" is as defined in Formulas Condition 7 (*General Formulas Definitions)*;

"**Additional Coupon 3**" is as defined in Formulas Condition 7 (*General Formulas Definitions)*;

"**Additional Coupon 3$_{(i)}$**" is as defined in Formulas Condition 7 (*General Formulas Definitions)*;

"**Additional Credit Securities Disruption Event**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Additional Digital Coupon Condition**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Additional Disruption Event**" is as defined in Security Condition 13.1 (*Definitions*);

"**Additional Final Payout 1**" is as defined in Formulas Condition 7 (*General Formulas Definitions*);

"**Additional Final Payout 2**" is as defined in Formulas Condition 7 (*General Formulas Definitions*);

"**Additional Final Payout Weighting**" is as defined in Formulas Condition 7 (*General Formulas Definitions*);

"**Additional Final Payout**" is as defined in Formulas Condition 7 (*General Formulas Definitions*);

"**Additional Gearing**" is as defined in Formulas Condition 7 (*General Formulas Definitions*);

"**Additional LPN**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Additional Obligation**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Additional Provisions**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Additional Switch Coupon Amount**" is as defined in Security Condition 22 (l);

"**Additional Switch Coupon Payment Date**" is as defined in Security Condition 22 (l);

"**Adjusted Bear CV**" is as defined in Formulas Condition 1.1 (hh);

"**Adjusted Bull CV**" is as defined in Formulas Condition 1.1 (hh);

"**Adjustment Amount**" is as defined in Annex A to The Additional Terms and Conditions for Credit Securities;

"**Adjustment**" is as defined in ETI Security Condition 6.2(a) and in Fund Security Condition 4.2(a);

"**Adjustment Date**" is as defined in Security Condition 15(b);

"**Adjustment Factor K**" is as defined in Share Security Condition 4 (*Dividend Event);*

"**Adjustment**" is as defined in ETI Security Condition 6.2(a) and Fund Security Condition 4.2(a);

"**Administrator**" is as defined in Security Condition 13 (*Definitions)*;

"**ADR**" is as defined in Security Condition 1.1 (*Type)* and Share Security Condition 9 (*Definitions relating to GDR/ADR)*;

"**AES Calculation Period**" is as defined in Formulas Condition 2.1(d);

"**AES CSN Rate**" is as defined in Formulas Condition 2.1(d);

"**AES Day Count Fraction**" is as defined in Formulas Condition 2.1(d);

"**AES Event 1 Underlying(s)**" is as defined in Security Condition 17.5(c);

"**AES Event 2 Underlying(s)**" is as defined in Security Condition 17.5 (c);

"**AES Exit Rate**" is as defined in Formulas Condition 2.1(d);

"**AES Knock-out Date**" is as defined in Security Condition 17.5(c);

"**AES Knock-out**" is as defined in Security Condition 17.5(c);

"**AES Margin**" is as defined in Security Condition 17.5(c);

"**AES Range Level**" is as defined in Security Condition 17.5(c);

"**AES Range Level 1**" is as defined in Security Condition 17.5(c);

"**AES Range Level 2**" is as defined in Security Condition 17.5(c);

"**AES Rate(s)**" is as defined in Security Condition 17.5 (c);

"**AES Reference Rate**" is as defined in Formulas Condition 2.1(d);

"**AES Settlement Percentage**" is as defined in Formulas Condition 2.1(d);

"**AES Settlement Percentage 1**" is as defined in Formulas Condition 2.1(d);

"**AES Settlement Percentage 2**" is as defined in Formulas Condition 2.1(d);

"**AES up Rate**" is as defined in Formulas Condition 2.1(d);

"**AF**" is as defined in Formulas Condition 8.1(e);

"$\mathbf{AF_{(t)}}$" is as defined in Formulas Condition 1.1(s) and in Formulas Condition 3.1(a);

"**Affected Basket Company**" is as defined in Share Security Condition 5.2(e);

"**Affected Commodity Reference Price"** is as defined in Commodity Security Condition 3(b);

"**Affected Commodity**" is as defined in Commodity Security Condition 3 (b);

"**Affected Component Security**" is as defined in Security Condition 3 (*Definitions)* under the definition of Strike Date and the definition of Valuation Date;

"**Affected Entity**" is as defined in Credit Security Condition 9 (d) and Credit Security Condition 13 (*Definitions)*;

"**Affected ETI**" is as defined in ETI Security Condition 6.2(b);

"**Affected ETI Interest**" is as defined in ETI Security Condition 6.2(b);

"**Affected Exchange-traded Contract**" is as defined in Debt Security Condition 9(b) and in Currency Security Condition 8(b);

"**Affected Fund**" is as defined in Fund Security Condition 4.2(b) (i);

"**Affected Index Component**" is as defined in Commodity Security Condition 3(b);

"**Affected Item**" is as defined in Security Condition 3 (*Definitions)* under the definition of Averaging Date, Strike Date, Valuation Date Valuation Date and in Commodity Security Condition 1 *(Definitions*) under the definition of Commodity Fallback Value;

"**Affected Reference Entity**" is as defined in the Annex to the Additional Terms and Conditions for Credit Securities - Auction Settlement Terms;

"**Affected Relevant Assets**" is as defined in Security Condition 13.1 (*Definitions*);

"**Affected Share**" is as defined in Security Condition 13.2(c) and Share Security Condition 5.2 (e);

"**Affiliate**" is as defined in Security Condition 3 (*Definitions)* and Credit Security Condition 13 (*Definitions*);

"**Aggregate Incurred Recovery Amount**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Aggregate Loss Amount**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Aggregate Recovery Amount**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Aggregate Unwind Costs**" is as defined in Credit Security Conditions 13 (*Definitions);*

"**AirbagPercentage**" is as defined in Formulas Condition 1.1(g) and in Formulas Condition 1.1(h),

"**Alternate Cash Amount**" is as defined in Security Condition 4.5 (*Issuer's Option to Substitute Assets or to pay the Alternate Cash Amount)*;

"**Alternative Currency**" is as defined in Security Condition 3 (*Definitions)*;

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

"**Annexes**" is as defined in paragraph 1 of the Terms and Conditions of Securities;

"**Applicable Banking Regulations**" is as defined in Security Condition 13 (*Definitions)*;

"**Applicable Withholding Tax**" is as defined in Formulas Condition 1.1(s), in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities),* and in OET Certificate Condition 1 (*Definitions);*

"**Asset Instruments**" is as defined in Security Condition 6.2 (*Specific Buy Back Provisions*);

"**Asset Market Value**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Asset Package**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Asset Package Credit Event**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Asset Package Delivery**" is as defined in Credit Security Condition 8(i);

"**Asset**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Assignable Loan**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Attachment Point**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Auction**" is as defined in Credit Security Condition 13 (*Definitions)* and in the Annex to the Additional Terms and Conditions for Credit Securities - Auction Settlement Terms;

"**Auction Cancellation Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Auction Covered Transaction**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Auction Date**" is as defined in the Annex to the Additional Terms and Conditions for Credit Securities - Auction Settlement Terms;

"**Auction Final Price Determination Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Auction Final Price**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Auction Methodology**" is as defined in the Annex to the Additional Terms and Conditions for Credit Securities - Auction Settlement Terms;

"**Auction Settlement Amount**" is as defined in in Credit Security Condition 13 (*Definitions);*

"**Auction Settlement Amount Notice**" is as defined in Credit Security Condition 13 (*Definitions)*

"**Auction Settlement Date**" is as defined in in Credit Security Condition 13 (*Definitions);*

"**AUM Level**" is as defined in Fund Security Condition 1 (*Definitions)*

"**Automatic Coupon Switch Event**" is as defined in Security Condition 22(l);

"**Automatic Coupon Switch Level**" is as defined in Security Condition 22(l);

"**Automatic Coupon Switch Range Level**" is as defined in Security Condition 22(l)

"Automatic Early Settlement Amount" is as defined in Security Condition 17.5(c), in Security Condition 17.6 (*Automatic Early Settlement – Automatic Early Settlement Capitalised Call and Put Securities 1*) and in OET Certificates Condition 1 (*Definitions)*;

"**Automatic Early Settlement Date**" is as defined in Security Condition 17.5(c), in Security Condition 17.6 (*Automatic Early Settlement – Automatic Early Settlement Capitalised Call and Put Securities1*) and in OET Certificates Condition 2 (*Automatic Early Settlement)*;

"**Automatic Early Settlement Event 1**" is as defined in Security Condition 17.5(c);

"**Automatic Early Settlement Event 2**" is as defined in Security Condition 17.5(c);

"Automatic Early Settlement Event" is as defined in Security Condition 17.5(c), in Security Condition 17.6 (*Automatic Early Settlement – Automatic Early Settlement Capitalised Call and Put Securities 1*) and in OET Certificates Condition 1 (*Definitions)*;

"**Automatic Early Settlement Level 1**" is as defined in Security Condition 17.5 (c);

"**Automatic Early Settlement Level 2**" is as defined in Security Condition 17.5(c);

"**Automatic Early Settlement Level**" is as defined in Security Condition 17.5(c);

"**AES Range Level**" is as defined in Security Condition 17.5(c);

"**AES Range Level 1**" is as defined in Security Condition 17.5(c);

"**AES Range Level 2**" is as defined in Security Condition 17.5(c);

"**Automatic Early Settlement Payout**" is as defined in Formulas Condition 2.1 (*Automatic Early Settlement Payouts Formulas*);

"**Automatic Early Settlement Percentage(s)**" is as defined in Security Condition 17.5(c);

"**Automatic Early Settlement Valuation Date**" is as defined in Security Condition 17.5(c), in Security Condition 17.6 (*Automatic Early Settlement – Automatic Early Settlement Capitalised Call and Put Securities 1*) and OET Certificate Condition 1 (*Definitions)*;

"**Automatic Early Settlement Valuation Period**" is as defined in Security Condition 17.5(c);

"Automatic Early Settlement Valuation Time" is as defined in Security Condition 17.5(c);

"**Automatic Exercise**" is as defined in Security Condition 1.1 (b)(i);

"**Automatic Payout Switch Event**" is as defined in Security Condition 19.1;

"**Automatic Payout Switch Level**" is as defined in Security Condition 19.1;

"**Average Basket Value**" is as defined in Formulas Condition 8.4(b);

"**Average Best Value**" is as defined in Formulas Condition 8.4(b);

"**Average Rainbow Value**" is as defined in Formulas Condition 8.4(b);

"**Average Underlying Reference TOM Value**" is as defined in Formulas Condition 8.4(a);

"**Average Underlying Reference Value**" is as defined in Formulas Condition 8.4(a);

"**Average Worst Value**" is as defined in Formulas Condition 8.4(b);

"**Averaging Date**" is as defined in Security Condition 3 (*Definitions)*, in Currency Security Condition 1 (*Definitions)* and in Fund Security Condition 1 (*Definitions);*

"**Averaging**" is as defined in Security Condition 1.1 (*Type)*;

"**B**" is as defined in Security Condition 13.2(c), in Formulas Condition 1.1 (ggg), in Formulas Condition 5.1 (m), in Share Security Condition 5.2(e), in ETI Securities Condition 6.2(b), and in Credit Security Condition 13 *(Definitions);*

"b" is as defined in Formulas Condition 1.1(ggg) and in Formulas Condition 5.1 (m);

"**Banking Day(s)**" is as defined in Security Condition 22 (n);

"**Bankruptcy**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Barrier Condition**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Barrier Level**" is as defined in Formulas Condition 7 *(General Formulas Definitions);*

"**Barrier Percentage Strike Price**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Barrier Percentage**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"Barrier Range Level" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Base Currency**" is as defined in Security Condition 3 (*Definitions);*

"**Base Level**" is as defined in Inflation Index Security Condition 2.1(b);

"**Basket Companies**" is as defined in Share Security Condition 1 (*Definitions);*

"**Basket Company**" is as defined in Share Security Condition 1 (*Definitions)* and Share Security Condition 5.2(e);

"**Basket Component**" is as defined in Commodity Security Condition 1 (*Definitions);*

"**Basket Credit Securities**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Basket ES_t**" is as defined in Formulas Condition 8.1(e);

"**Basket ES_{t-1}**" is as defined in Formulas Condition 8.1(e);

"**Basket $Level_0$**" is as defined in Formulas Condition 8.1(e);

"**Basket of Commodities**" is as defined in Commodity Security Condition 1 (*Definitions);*

"**Basket of Futures**" is as defined in Futures Security Condition 1 (*Definitions);*

"**Basket of Indices**" is as defined in Index Security Condition 1 (*Definitions);*

"**Basket of Shares**" is as defined in Share Security Condition 1 (*Definitions);*

"**Basket of Underlying References**" is as defined in Security Condition 17.5(c);

"**Basket Price 1**" is as defined in Security Condition 17.5(c);

"**Basket Price 2**" is as defined in Security Condition 17.5(c);

"**Basket Price**" is as defined in Security Condition 17.5(c);

"**Basket Trigger Event**" is as defined in ETI Security Condition 1 (*Definitions)* and Fund Security Condition 1 (*Definitions);*

"**Basket Trigger Level**" is as defined in ETI Security Condition 1 (*Definitions)* and Fund Security Condition 1 (*Definitions);*

"**Basket**" is as defined in Security Condition 3 (*Definitions);*

"**Basket Performance**" is as defined in Formulas Condition 8.1(c);

"**Basket Performance Percentage**" is as defined in Formulas Condition 8.1(c);

"**Basket Value**" is as defined in Formulas Condition 8.1(c);

"**$BasketES_0$**" is as defined in Formulas Condition 8.1(e);

"**$BasketES_t$**" is as defined in Formulas Condition 8.1(e);

"**$BasketES_{t-1}$**" is as defined in Formulas Condition 8.1(e)

"**$Basket_t$**" is as defined in Formulas Condition 8.1(e);

"**$Basket_{t-1}$**" is as defined in Formulas Condition 8.1(e);

"**$Basket_{t-s}^{t*}$**" is as defined in Formulas Condition 8.1(e);

"**Bear Certificate Value**" is as defined in Formulas Condition 1.1 (hh);

"**Bear CV_0**" is as defined in Formulas Condition 1.1(hh);

"**Bear CV_t**"" is as defined in Formulas Condition 1.1 (hh);

"**Bear CV_{t-1}**" is as defined in Formulas Condition 1.1 (hh);

"**Benchmark**" is as defined in Security Condition 13 (*Definitions*);

"**Benchmark Event**" is as defined in Security Condition 13 (*Definitions*);

"**Benchmark Modification or Cessation Event**" is as defined in Security Condition 13 (*Definitions*);

"**Best Intraday Value**" is as defined in Formulas Condition 8.1(c);

"**Best Value**" is as defined in Formulas Condition 8.1(c);

"**$BestLockValue_{(i)}$**" is as defined in Formulas Condition 1.1(rr);

"**Best-Performing Underlying Reference Closing Price $Value_{(i)}$**" is as defined in Formulas Condition 6.1(b);

"**Beta 1**" is as defined in Formulas Condition 1.1(kk);

"**Beta 2**" is as defined in Formulas Condition 1.1(kk);

"**BMR**" is as defined in Security Condition 13 (*Definitions*);

"**Bond Basis**" is as defined in Security Condition 22(n);

"**Bond**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Bonus Coupon**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Bonus Floor Percentage**" is as defined in Formulas Condition 7 (*General Formulas Definitions*);

"**Bonus Level**" is as defined in Formulas Condition 7 (*General Formulas Definitions*)

"**Bonus Level Percentage**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Bonus Percentage**" is as defined in Formulas Condition 7 (*General Formulas Definitions*);

"**Bonus Remuneration Attachment Point**" is as defined in Credit Security Condition 13 (*Definitions*);

"**Bonus Remuneration Credit Securities**" is as defined in Credit Security Condition 13 (*Definitions*);

"**Bonus Remuneration Day Count Fraction**" is as defined in Credit Security Condition 13 (*Definitions*);

"**Bonus Remuneration Detachment Point**" is as defined in Credit Security Condition 13 (*Definitions*);

"**Bonus Remuneration Determination Date**" is as defined in Credit Security Condition 13 (*Definitions*);

"**Bonus Remuneration Implicit Portfolio Size**" is as defined in Credit Security Condition 13 (*Definitions*);

"**Bonus Remuneration Payment Date(s)**" is as defined in Credit Security Condition 13 (*Definitions*);

"**Bonus Remuneration Writedown Rate**" is as defined in Credit Security Condition 13 (*Definitions*);

"**Borrowed Money**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Broken Amount**" is as defined in Security Condition 22 (n);

"**BRRD**" is as defined in Security Condition 13 (*Definitions*);

"**Bull Certificate Value**" is as defined in Formulas Condition 1.1 (hh);

"**Bull CV_0**" is as defined in Formulas Condition 1.1(hh);

"**Bull CV_t**" is as defined in Formulas Condition 1.1 (hh);

"**Bull CV_{t-1}**" is as defined in Formulas Condition 1.1 (hh);

"**Business Day**" is as defined in Security Condition 3 (*Definitions);*

"**Buy Back Price**" is as defined in Security Condition 6.2 (*Specific Buy Back Provisions*);

"**C**" is as defined in Security Condition 13.2(c), Share Security Condition 5.2(e), in ETI Security Condition 6.2(b) and in Credit Security Condition 13 (*Definitions*);

"**Calculated Additional Disruption Amount Determination Date**" is as defined in Security Condition 13.2(b) (ii);

"**Calculated Additional Disruption Amount**" is as defined in Security Condition 13.2(b) (ii);

"**Calculated Contract Adjustment Amount Determination Date**" is as defined in Index Security Condition 5.2(ii), in Index Security Condition 5.4(ii), in Debt Security Condition 7(b), in Debt Security Conditions 9(a) (ii), in Currency Security Condition 6(b) and in Currency Security Condition 8(ii);

"**Calculated Contract Adjustment Amount**" is as defined in Index Security Condition 5.2(ii), in Index Security Condition 5.4(ii), in Debt Security Condition 7(b), in Debt Security Condition (a)(ii), in Currency Security Condition 6(b) and in Currency Security Condition 8(ii);

"**Calculated Currency Disruption Amount Determination Date**" is as defined in Currency Security Condition 3(b) (ii);

"**Calculated Currency Disruption Amount**" is as defined in Currency Security Condition 3(b) (ii);

"**Calculated Extraordinary Event Amount**" is as defined in Share Security Condition 5.2(c) (ii);

"**Calculated Extraordinary Event Amount Determination Date**" is as defined in Share Security Condition 5.2(c) (ii);

"**Calculated Futures Adjustment Amount**" is as defined in Futures Security Condition 3.1(b) (ii);

"**Calculated Futures Adjustment Amount Determination Date**" is as defined in Futures Security Condition 3.1(b)(ii);

"**Calculated Index Adjustment Amount Determination Date**" is as defined in Index Security Condition 3.2(c)(ii) and in Debt Security Condition 5(b);

"**Calculated Index Adjustment Amount**" is as defined in Index Security Condition 3.2(c) (ii) and in Debt Security Condition 5(b);

"**Calculation Agent**" is as defined in Security Condition 3 (*Definitions);*

"**Calculation Currency**" is as defined in Formulas Condition 1.1(hh);

"**Calculation Date**" is as defined in Security Condition 17.5 (c), Security Condition 17.7 (*Issuer Call Option)*, Security Condition 22(n), Formulas Condition 3.1(e), Formulas Condition 4.1(e), ETI Security Condition 1 (*Definitions)*, Fund Security Condition 1(*Definitions)*, and Formulas Condition 1.1(iii)

"**Calculation Period**" is as defined in Security Condition 3 (*Definitions)* and Security Condition 22 (n);

"**Calculation Time$_t$**" is as defined in Formulas Condition 1.1(hh);

"**Calculation Time$_{t-1}$**" is as defined in Formulas Condition 1.1(hh);

"**Call**" is as defined in Formulas Condition 1.1(ll), in Formulas Condition 1.1(mm), 1.1(oo)(i), in Formulas Condition 1.1. (oo)(iv), in Formulas Condition 1.1. (oo)(v), in Formulas Condition 1.1 (tt)(i), in Formulas Condition 1,1(tt)(iii), in Formulas Condition 1.1 (tt) (x), in Formulas Condition 1.1 (tt) (xi), in Formulas Condition 1.1 (uu) (v) and in Formulas Condition 1.1 (uu) (vi);

"**Call 1**" is as defined in Formulas Condition 1.1(nn), in Formulas Condition 1.1(oo)(ii), in Formulas Condition 1.1(oo)(iii), in Formulas Condition 1.1(oo) (viii), in Formulas Condition 1.1(tt) (ii), in Formulas Condition 1.1(tt) (iv) and in Formulas Condition 1.1(uu) (vii);

"**Call 2**" is as defined in Formulas Condition 1.1(nn), in Formulas Condition 1.1(oo)(ii), in Formulas Condition 1.1(oo)(iii), in Formulas Condition 1.1(oo) (viii), in Formulas Condition 1.1(tt) (ii), in Formulas Condition 1.1(tt) (iv) and in Formulas Condition 1.1(uu) (vii);

"**Call 3**" is as defined in Formulas Condition 1.1(uu)(vii);

"**Call Option Condition Exercise Notice**" is as defined in Security Condition 3 (*Definitions*) and in Security Condition 17.7 (*Issuer Call Option*);

"**Call Option Condition(s)**" is as defined in Security Condition 17.7 (*Issuer Call Option);*

"**Call Option Event**" is as defined in Security Condition 17.7 (*Issuer Call Option);*

"**Call Option Exercise Notice Period**" is as defined in Security Condition 3 (*Definitions);*

"**Call Option Exercise Notice**" is as defined in Security Condition 17.7 (a);

"**Call Option Exercise Valuation Date**" is as defined in Security Condition 17.7 (*Issuer Call Option);*

"**Call Option Exercise Valuation Period**" is as defined in Security Condition 17.7 (*Issuer Call Option);*

"**Call Option Exercise Valuation Time**" is as defined in Security Condition 17.7 (*Issuer Call Option);*

"**Call Option**" is as defined in Security Condition 3 (*Definitions);*

"**Call Payout**" is as defined in Formulas Condition 4.1 *(Issuer Call Option Payouts Formulas);*

"**Call Spread**" is as defined in Formulas Condition 1.1(ll), in Formulas Condition 1.1(mm), 1.1(oo)(i), in Formulas Condition 1.1. (oo)(iv), in Formulas Condition 1.1. (oo)(v), in Formulas Condition 1.1 (tt)(i), in Formulas Condition 1,1(tt)(iii), in Formulas Condition 1.1 (tt) (x), in Formulas Condition 1.1 (tt) (xi), in Formulas Condition 1.1 (uu) (v) and in Formulas Condition 1.1 (uu) (vi);

"**Call Spread 1**" is as defined in Formulas Condition 1.1(nn), in Formulas Condition 1.1(oo)(ii), in Formulas Condition 1.1(oo)(iii), in Formulas Condition 1.1(oo) (viii), in Formulas Condition 1.1(tt) (ii), in Formulas Condition 1.1(tt) (iv) and in Formulas Condition 1.1(uu) (vii);

"**Call Spread 2**" is as defined in Formulas Condition 1.1(nn), in Formulas Condition 1.1(oo)(ii), in Formulas Condition 1.1(oo)(iii), in Formulas Condition 1.1(oo) (viii), in Formulas Condition 1.1(tt) (ii), in Formulas Condition 1.1(tt) (iv) and in Formulas Condition 1.1(uu) (vii);

"**Call Spread 3**" is as defined in Formulas Condition 1.1(uu)(vii);

"**Call Spread$_{(n)}$"** is as defined in Formulas Condition 1.1 (uu)(ii), in Formulas Condition 1.1 (ddd) and in Formulas Condition 1.1(eee);

"**Call Spread$_{(j)}$"** is as defined in Formulas Condition 1.1 (ddd) and in Formulas Condition 1.1(eee);

"**Call Trigger Barrier**" is as defined in Security Condition 17.7 (*Issuer Call Option);*

"**Call$_{(n)}$**" is as defined in Formulas Condition 1.1 (tt)(ii), in Formulas Condition 1.1 (ccc) and in Formulas Condition 1.1(ddd);

"**Call$_{(j)}$**" is as defined in Formulas Condition 1.1 (ddd) and in Formulas Condition 1.1(eee);

"**Cancellation Event**" is as defined in Security Condition 13.1 (*Definitions);*

"**Cap Level Percentage 1**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Cap Level Percentage 2**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Cap Level Percentage**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Cap Level**" is as defined in Formulas Condition 7 (*General Formulas Definitions)* and in Share Security Condition 4 (*Dividend Event);*

"**Cap Percentage 1**" is as defined in Formulas Condition 7 *(General Formulas Definitions*);

"**Cap Percentage 2**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Cap Percentage 3**" is as defined in Formulas Condition 7 (*General Formulas Definitions)*

"**Cap Percentage**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Cap**" is as defined in Security Condition 3 (*Definitions)* and in Formulas Condition 7 *(General Formulas Definitions);*

"**Capital Ratio**" is as defined in Credit Security Condition 10 (b) (iii);

"**Capitalised Exercise Price**" or "**CEP_t**" is as defined in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities)* and OET Certificate Condition 1 (*Definitions);*

"**Capped Reference Entity**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Cash and Carry Arbitrage**" is as defined in Security Condition 6.2 (*Specific Buy Back Provisions);*

"**Cash Dividend Amount**" is as defined in Share Security Condition 7 (*Dividend Payment)*;

"**Cash Dividend Notice**" is as defined in Share Security Condition 7 (b);

"**Cash Dividend Payment Date**" is as defined in Share Security Condition 7 (*Dividend Payment)*;

"**Cash Dividend**" is as defined in Share Security Condition 7 (*Dividend Payment);*

"**Cash Instrument**" is as defined in Security Condition 6.2 (*Specific Buy Back Provisions);*

"**Cash Settled Certificates**" is as defined in Security Condition 17.2 (*Cash Settlement)* and in Security Condition 21.3 (*Cash Settled Certificates)*;

"**Cash Settled Securities**" is as defined in Security Condition 1.1 (*Type);*

"**Cash Settlement Amount**" is as defined in Security Condition 3 (*Definitions);*

"**Cash Settlement Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Cash-CDS Arbitrage**" is as defined in Security Condition 6.2 (*Specific Buy Back Provisions)*

"**CDS Components**" is as defined in Security Condition 6.2 (*Specific Buy Back Provisions*);

"**Centralised Custodian**" is as defined in Security Condition 1.3 (*Transfers of Securities);*

"**CEP_{t-1}**" is as defined in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities)* and in OET Certificate Condition 1 *(Definitions);*

"**$Cert_{(t0)}$**" is as defined in Formulas Condition 1.1(s);

"**Certificateholder**" is as defined in Security Condition 1.2 (*Title to Securities);*

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

"**Change in Law**" is as defined in Security Condition 13.1*(Definitions)* and Credit Security Condition 13 *(Definitions)*;

"**Clearance System Days**" is as defined in Index Security Condition 1 *(Definitions)*, Share Security Condition 1 *(Definitions)*, ETI Security Condition 1 *(Definitions)*, Debt Security Condition 11 *(Definitions)* and Futures Security Condition 1 *(Definitions);*

"**Clearance System**" is as defined in Index Security Condition 1 *(Definitions)*, Share Security Condition 1 *(Definitions)*, ETI Security Condition 1 *(Definitions)*, Debt Security Condition 11 *(Definitions)* and Futures Security Condition 1 *(Definitions)*;

"**Clearing System**" is as defined in Security Condition 3 (*Definitions);*

"**Clearstream, Luxembourg**" is as defined in Security Condition 3 (*Definitions);*

"**Closing Level**" is as defined in Index Security Condition 1 (*Definitions);*

"**Closing Price**" is as defined in ETI Security Condition 1 (*Definitions)*, in Share Security Condition 1 (*Definitions);*

"**CMS Determined Rate**" is as defined in Security Condition 22 (d) (iii);

"**CMS**" is as defined in Security Condition 22 (n);

"**Coco Provision**" is as defined in Credit Security Condition 10 (b) (iii);

"**CoCo Supplement**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Combination Credit Securities**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Commencement Date**" is as defined in Formulas Condition 1.1(hh);

"**Commodity Business Day**" is as defined in Commodity Security Condition 1 (*Definitions*);

"**Commodity Disrupted Day**" is as defined in Commodity Security Condition 1 (*Definitions*);

"**Commodity Fallback Value**" is as defined in Commodity Security Condition 1 (*Definitions*);

"**Commodity Index Adjustment Event**" is as defined in Commodity Security Condition 4(b);

"**Commodity Index Cancellation**" is as defined in Commodity Security Condition 4(b);

"**Commodity Index Disruption**" is as defined in Commodity Security Condition 4(b);

"**Commodity Index Modification**" is as defined in Commodity Security Condition 4(b);

"**Commodity Index**" is as defined in Commodity Security Condition 1 (*Definitions);*

"**Commodity Reference Price**" is as defined in Commodity Security Condition 1(*Definitions)* and Commodity Security Condition 3(b);

"**Commodity Securities**" is as defined in Security Condition 1.1 (*Type)*;

"Commodity Security Conditions" is as defined in paragraph 1 of Annex 6 (*Additional Terms And Conditions For Commodity Securities*);

"**Commodity**" is as defined in Commodity Security Condition 1 (*Definitions)* and Commodity Security Condition 3(b);

"**Component Security Index**" is as defined in Index Security Condition 1 (*Definitions);*

"**Component Security**" is as defined in Index Security Condition 1 (*Definitions);*

"**Component**" is as defined in Security Condition 3 (*Definitions);*

"**Composite Index**" is as defined in Index Security Condition 1 (*Definitions);*

"**Conditionally Transferable Obligation**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Conditions**" is as defined in paragraph 1 of the Terms and Conditions of the Securities;

"**Conforming Reference Obligation**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Consent Required Loan**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Constant A**" is as defined in Formulas Condition 7 *(General Formulas Definitions);*

"**Constant AES Percentage**" is as defined in Formulas Condition 2.1(c);

"**Constant B**" is as defined in Formulas Condition 7 *(General Formulas Definitions);*

"**Constant Mixed Percentage**" is as defined in Formulas Condition 7 (*General Formulas Definitions*), in Formulas Condition 1.1(ggg), and in Formulas Condition 1.1(jjj);

"**Constant Percentage 1**" is as defined in Formulas Condition 7 *(General Formulas Definitions);*

"**Constant Percentage 2**" is as defined in Formulas Condition 7 *(General Formulas Definitions);*

"**Constant Percentage 3**" is as defined in Formulas Condition 7 *(General Formulas Definitions);*

"**Constant Percentage 4**" is as defined in Formulas Condition 7 *(General Formulas Definitions);*

"**Constant Percentage 5**" is as defined in Formulas Condition 7 *(General Formulas Definitions);*

"**Constant Percentage 6**" is as defined in Formulas Condition 7 *(General Formulas Definitions);*

"**Constant Percentage 7**" is as defined in Formulas Condition 7 *(General Formulas Definitions);*

"**Constant Percentage 8**" is as defined in Formulas Condition 7 *(General Formulas Definitions);*

"**Constant Percentage 9**" is as defined in Formulas Condition 7 *(General Formulas Definitions);*

"**Constant Percentage 10**" is as defined in Formulas Condition 7 *(General Formulas Definitions);*

"**Constant Percentage 11**" is as defined in Formulas Condition 7 *(General Formulas Definitions),*

"**Constant Percentage 12**" is as defined in Formulas Condition 7 *(General Formulas Definitions),*

"**Constant Percentage 13**" is as defined in Formulas Condition 7 *(General Formulas Definitions),*

"**Constant Percentage 14**" is as defined in Formulas Condition 7 *(General Formulas Definitions),*

"**Constant Percentage 15**" is as defined in Formulas Condition 7 *(General Formulas Definitions),*

"**Constant Percentage 16**" is as defined in Formulas Condition 7 *(General Formulas Definitions),*

"**Constant Percentage**" is as defined in Formulas Condition 7 *(General Formulas Definitions);*

"**Constant Percentage$_n$**" is as defined in Formulas Condition 1.1 (uu)(ii), in Formulas Condition 1.1 (ddd) and in Formulas Condition 1.1 (eee);

"**Constant Percentage$_j$**" is as defined in Formulas Condition 1.1 (ddd) and in Formulas Condition 1.1(eee);

"**Constant TAES Percentage**" is as defined in Formulas Condition 2.1(f);

"**control**" is as defined in Credit Security Condition 13 (*Definitions)* under the definition of Affiliate;

"**Conversion Event**" is as defined in Share Security Condition 9 (*Definitions relating to GDR/ADR);*

"**Conversion Rate Early**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Conversion Rate Final**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Conversion Rate**" is as defined in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities)* and in OET Certificate Condition 1 (*Definitions);*

"**Corridor Digital Coupon Condition 1**" is as defined in Formulas Condition 5.1 (d);

"**Corridor Digital Coupon Condition 2**" is as defined in Formulas Condition 5.1 (d);

"**Coupon Airbag Percentage 1**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Coupon Airbag Percentage 2**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Coupon Airbag Percentage**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Coupon Cap**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Coupon Percentage 1**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Coupon Percentage 2**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Coupon Percentage**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Coupon Switch Date**" is as defined in Security Condition 22(l);

"**Coupon Switch**" is as defined in Security Condition 22(l);

"**Coupon Value**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Coupon Weighting**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Credit Derivatives Auction Settlement Terms**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Credit Derivatives Definitions**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Credit Derivatives Determinations Committee**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Credit Event Backstop Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Credit Event Cash Settlement Amount**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Credit Event Notice**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Credit Event Resolution Request Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Credit Event**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Credit Index**" is as defined in Security Condition 6.2 (*Specific Buy Back Provisions)*;

"**Credit Observation Period End Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Credit Securities**" is as defined in Security Condition 1.1 (*Type)* and Credit Security Condition 13 *(Definitions)*;

"**Credit Security Business Day**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Credit Security Conditions**" is as defined in paragraph 1 of Annex 12 (*Additional Terms And Conditions For Credit Securities*);

"**Credit Security Dealer**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Credit Security Settlement Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Credit Unwind Costs**" is as defined in Credit Security Condition 13 (*Definitions);*

"**CRD IV**" is as defined in Security Condition 13 (*Definitions*);

"**CRD IV Directive**" is as defined in Security Condition 13 (*Definitions*);

"**CRD IV Implementing Measure**" is as defined in Security Condition 13 (*Definitions*);

"**CRR**" is as defined in Security Condition 13 (*Definitions*);

"**CSR Event**" is as defined in Share Security Condition 5.1;

"**Cum Reference Price**" is as defined in Share Security Condition 4 (*Dividend Event);*

"**Cumulative Inflation Rate**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Cumulative Remuneration**" is as defined in Security Condition 17.5(c);

"**Currency Amount**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Currency Event**" is as defined in Security Condition 13.1 *(Definitions)*;

"**Currency Pair**" is as defined in Currency Security Condition 5 (*Futures Price Valuation);*

"**Currency Rate Source**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Currency Rate**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Currency Securities**" is as defined in Security Condition 1.1 (*Type)*;

"**Currency Security Conditions**" is as defined in paragraph 1 of Annex 8 (*Additional Terms and Conditions for Currency Securities);*

"**Current Exchange-traded Contract**" is as defined in Index Security Condition 5.1, Currency Security Condition 5 (*Futures Price Valuation)*, and in Debt Security Condition 6 (*Futures Price Valutation);*

"**Current FX Memory Coupon Remuneration Period**" is as defined in Formulas Condition 5.1 (p);

"**Current Remuneration Period**" is as defined in Security Condition 17.5(c);

"**Cut-Off Date**" is as defined in Inflation Index Security Conditions 1 (*Definitions)*;

"**Cut-off Time**" is as defined in Formulas Condition 1.1(hh);

"**CV Calculation Day**" is as defined in Formulas Condition 3.1(a);

"$\mathbf{CV_{(0)}}$" is as defined in Formulas Condition 3.1(a);

"$\mathbf{CV_{(t-1)}}$" is as defined in Formulas Condition 3.1(a);

"**CW**" is as defined in Formulas Condition 5.1 (i);

"**D**" is as defined in Security Condition 20 (c);

"**D1**" is as defined in Security Condition 22 (n);

"**D2**" is as defined in Security Condition 22 (n);

"**Daily Settlement Price Correction Period**" is as defined in Currency Security Condition 5 (*Futures Price Valuation)* and in Debt Security Condition 11 (*Definitions)*;

"**Daily Settlement Price**" is as defined in Currency Security Condition 5 (*Futures Price Valuation)* and in Debt Security Condition 6 (*Futures Price Valutation)*;

"**Day Count Fraction**" is as defined in Security Condition 17.5(c), Security Condition 17.7 (*Issuer Call Option)*, Security Condition 22(n), in Formulas Condition 1.1 (kkk), in Formulas Condition 3.1(e) and in Formulas Condition 4.1(e);

"**DC Announcement Coverage Cut-off Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**DC Barrier Value**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**DC Credit Event Announcement**" is as defined in Credit Security Condition 13 (*Definitions)*

"**DC Credit Event Meeting Announcement**" is as defined in Credit Security Condition 13 (*Definitions);*

"**DC Credit Event Question Dismissal**" is as defined in Credit Security Condition 13 (*Definitions);*

"**DC Credit Event Question**" is as defined in Credit Security Condition 13 (*Definitions);*

"**DCF**" is as defined in Formulas Condition 2.1 (d);

"**DC No Credit Event Announcement**" is as defined in Credit Security Condition 13 (*Definitions);*

"**DC Resolution Reversal Cut-off Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**DC Resolution**" is as defined in Credit Security Condition 13 (*Definitions);*

"**DC Secretary**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Debt Instrument Correction Period**" is as defined in Debt Security Condition 11 (*Definitions)*;

"**Debt Instrument Issuer**" is as defined in Debt Security Condition 11 (*Definitions)*;

"**Debt Instrument Redemption Event"** is as defined in Debt Security Condition 5 (*Redemption or Cancellation of a Debt Instrument);*

"**Debt Instruments**" is as defined in Security Condition 3 (*Definitions);*

"**Debt Securities**" is as defined in Security Condition 1.1 (*Type)*;

"**Deed of Covenant**" is as defined in paragraph 4 of the Terms and Conditions of the Securities;

"**Deed Poll** is as defined in Security Condition 11.1 (a) (ii);

"**Deed of Guarantee**" is as defined in paragraph 3 of the Terms and Conditions of the Securities;

"**Deemed Remuneration Reduction**" is as defined in Credit Security Condition 5(iv);

"**Default Requirement**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Definitive Securities**" is as defined in Security Condition 1.3 (*Transfers of Securities)*

"**Delayed Index Level Event**" is as defined in Inflation Index Security Conditions 1 (*Definitions)*;

"**Delayed Payment Cut-off Date**" is as defined in Fund Security Condition 1 (*Definitions);*

"**Delayed Payment Notice**" is as defined in Fund Security Condition 5 (*Settlement Date/Automatic Early Settlement Date/Termination Date Extension*);

"**De-Listing**" is as defined in Share Security Condition 5.1;

"**Deliver**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Deliverable Obligation Category**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Deliverable Obligation Characteristics**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Deliverable Obligation Provisions**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Deliverable Obligation Terms**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Deliverable Obligation**" is as defined in Credit Security Condition 13 (*Definitions*);

"**Delivered**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Delivery Date**" is as defined in Security Condition 21.4 (*Physical Delivery Certificates),* in Commodity Security Condition 1 *(Definitions)* and Credit Security Condition 13 *(Definitions)*;

"**Delivery**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Derivative Component**" is as defined in Security Condition 20 (c);

"**Designated Maturity**" is as defined in Credit Security Condition 22(b)(ii) and Underlying Interest Rate Security Condition 2 (*ISDA Determination*);

"**Detachment Point**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Digital Cap Percentage 1**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Digital Cap Percentage 2**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Digital Coupon Condition**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Double Digital Coupon Condition 1**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Double Digital Coupon Condition 2**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Digital Floor Percentage 1**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Digital Floor Percentage 2**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Digital Plus Percentage 1**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Digital Plus Percentage 2**" is as defined in Formulas Condition 7 (*General Formulas Definition);*

"**Direct Loan Participation**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Disappearance of Commodity Reference Price**" is as defined in Commodity Security Condition 1 (*Definitions);*

"**Dispersion Value$_{(k)}$**" is as defined in Formulas Condition 1.1(ss);

"**Dispute**" is as defined in Security Condition 12(b);

"**Disqualified Transferee**" is as defined in Security Condition 1.3 (*Transfers of Securities)*;

"**Disrupted Amount**" is as defined in Security Condition 4.7(vi);

"**Disrupted Day**" is as defined in Index Security Conditions 1 (*Definitions)*, in Share Security Condition 1 (*Definitions)*, in ETI Security Condition 1 (*Definitions) in* Debt Security Condition 11 (*Definitions)*, in Currency Security Condition 1 (Definitions) and in Futures Security Condition 1 (*Definitions*);

"**Disrupted Level Day**" is as defined in Formulas Condition 8.1(e);

"**Disrupted Settlement Date**" is as defined in Security Condition 4.7(vi);

"**Disruption Fallback**" is as defined in Commodity Security Condition 1 (*Definitions)* and in Currency Security Condition 3 (*Consequences of a Disruption Event);*

"**Distributed Amount**" is as defined in Share Security Condition 7 (*Dividend Payment)*;

"**Distribution End Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Distribution Period Event Determination Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Div Percentage**" is as defined in Formulas Condition 1.1(s) and in Formulas Condition 3.1(a);

"**div reinvested factor$_{(t)}$**" is as defined in Formulas Condition 1.1(s) and in Formulas Condition 3.1(a);

"**Dividend Adjustment Amount**" is as defined in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*) and in OET Certificate Condition 1 (*Definitions);*

"**Dividend Date**" is as defined in Share Security Condition 7 (*Dividend Payment);*

"**Dividend Event**" is as defined in ETI Security Condition 1 (*Definitions)* and in Share Security Condition 4 (*Dividend Event);*

"**Dividend Expenses**" is as defined in Share Security Condition 7 (*Dividend Payment);*

"**Dividend Percentage**" is as defined in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*) and in OET Certificate Condition 1 (*Definitions);*

"**Domestic Currency**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Domestic Law**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Down Call Spread**" is as defined in Formulas Condition 1.1 (xx), in Formulas Condition 1.1 (yy), in Formulas Condition 1.1 (zz), in Formulas Condition 1.1 (aaa), in Formulas Condition 1.1(bbb), in Formulas Condition 1.1(ccc);

"**Down Call**" is as defined in Formulas Condition 1.1 (xx), in Formulas Condition 1.1 (yy), in Formulas Condition 1.1 (zz), in Formulas Condition 1.1 (aaa), in Formulas Condition 1.1(bbb), in Formulas Condition 1.1(ccc);

"**Down Cap Percentage**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Down Final Settlement Value**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Down Floor Percentage**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Down Forward**" is as defined in Formulas Condition 1.1 (xx), in Formulas Condition 1.1 (yy), in Formulas Condition 1.1 (zz), in Formulas Condition 1.1 (aaa), in Formulas Condition 1.1(bbb), in Formulas Condition 1.1(ccc);

"**Down Put Spread**" is as defined in Formulas Condition 1.1 (xx), in Formulas Condition 1.1 (yy), in Formulas Condition 1.1 (zz), in Formulas Condition 1.1 (aaa), in Formulas Condition 1.1(bbb), in Formulas Condition 1.1(ccc);

"**Down Put**" is as defined in Formulas Condition 1.1 (xx), in Formulas Condition 1.1 (yy), in Formulas Condition 1.1 (zz), in Formulas Condition 1.1 (aaa), in Formulas Condition 1.1(bbb), in Formulas Condition 1.1(ccc);

"**Down Strike Percentage**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Downside Participation Factor**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Downstream Affiliate**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Dual Currency Certificates**" are as defined in Security Condition 3 (*Definitions)*;

"**Dual Exchange Rate**" is as defined in Currency Security Condition 1 (*Definitions)*;

"**Due and Payable Amount**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Early Closure**" is as defined in Index Security Condition 1 (*Definitions),* Share Security Condition 1 (*Definitions),* ETI Security Condition 1 (*Definitions)* and Futures Security Condition 1 (*Definitions*);

"**Early Settlement Entitlement**" is as defined in Security Condition 17.5(c);

"**EDS**" is as defined in Formulas Condition 1.1(ll), in Formulas Condition 1.1(mm), 1.1(oo)(i), in Formulas Condition 1.1. (oo)(iv), in Formulas Condition 1.1. (oo)(v), in Formulas Condition 1.1 (tt)(i), in Formulas

Condition 1,1(tt)(iii), in Formulas Condition 1.1 (tt) (x), in Formulas Condition 1.1 (tt) (xi), in Formulas Condition 1.1 (uu) (v) and in Formulas Condition 1.1 (uu) (vi);

"**EDS 1**" is as defined in Formulas Condition 1.1(nn), in Formulas Condition 1.1(oo)(ii), in Formulas Condition 1.1(oo)(iii), in Formulas Condition 1.1(oo) (viii), in Formulas Condition 1.1(tt) (ii), in Formulas Condition 1.1(tt) (iv) and in Formulas Condition 1.1(uu) (vii);

"**EDS 2**" is as defined in Formulas Condition 1.1(nn), in Formulas Condition 1.1(oo)(ii), in Formulas Condition 1.1(oo)(iii), in Formulas Condition 1.1(oo) (viii), in Formulas Condition 1.1(tt) (ii), in Formulas Condition 1.1(tt) (iv) and in Formulas Condition 1.1(uu) (vii);

"**EDS 3**" is as defined in Formulas Condition 1.1(uu)(vii);

"**EDS Barrier Percentage**" is as defined in Formulas Condition 1.1(ll), in Formulas Condition 1.1(mm), 1.1(oo)(i), in Formulas Condition 1.1. (oo)(iv), in Formulas Condition 1.1. (oo)(v), in Formulas Condition 1.1 (tt)(i), in Formulas Condition 1,1(tt)(iii), in Formulas Condition 1.1 (tt) (x), in Formulas Condition 1.1 (tt) (xi), in Formulas Condition 1.1 (uu) (v) and in Formulas Condition 1.1 (uu) (vi) and in in Formulas Condition 7 (*General Formulas Definitions);*

"**EDS Barrier Percentage 1**" is as defined in Formulas Condition 1.1(nn), in Formulas Condition 1.1(oo)(ii), in Formulas Condition 1.1(oo)(iii), in Formulas Condition 1.1(oo) (viii), in Formulas Condition 1.1(tt) (ii), in Formulas Condition 1.1(tt) (iv) and in Formulas Condition 1.1(uu) (vii);

"**EDS Barrier Percentage 2**" is as defined in Formulas Condition 1.1(nn), in Formulas Condition 1.1(oo)(ii), in Formulas Condition 1.1(oo)(iii), in Formulas Condition 1.1(oo) (viii), in Formulas Condition 1.1(tt) (ii), in Formulas Condition 1.1(tt) (iv) and in Formulas Condition 1.1(uu) (vii);

"**EDS Percentage**" is as defined in Formulas Condition 1.1(ll), in Formulas Condition 1.1(mm), 1.1(oo)(i), in Formulas Condition 1.1(oo)(ii), in Formulas Condition 1.1. (oo)(iii), in Formulas Condition 1.1. (oo)(iv), in Formulas Condition 1.1 (tt)(i), in Formulas Condition 1,1(tt)(iii), in Formulas Condition 1.1 (tt) (v), in Formulas Condition 1.1 (tt) (x), in Formulas Condition 1.1 (tt) (xi), in Formulas Condition 1.1 (uu) (v) and in Formulas Condition 1.1 (uu) (vi);

"**EDS Percentage 1**" is as defined in Formulas Condition 1.1(nn), in Formulas Condition 1.1(oo)(ii), in Formulas Condition 1.1(oo)(iii), in Formulas Condition 1.1(oo) (viii), in Formulas Condition 1.1(tt) (ii), in Formulas Condition 1.1(tt) (iv) and in Formulas Condition 1.1(uu) (vii);

"**EDS Percentage 2**" is as defined in Formulas Condition 1.1(nn), in Formulas Condition 1.1(oo)(ii), in Formulas Condition 1.1(oo)(iii), in Formulas Condition 1.1(oo) (viii), in Formulas Condition 1.1(tt) (ii), in Formulas Condition 1.1(tt) (iv) and in Formulas Condition 1.1(uu) (vii);

"**$EDS_{(n)}$**" is as defined in Formulas Condition 1.1 (uu)(ii), in Formulas Condition 1.1 (ddd) and in Formulas Condition 1.1(eee);

"**$EDS_{(j)}$**" is as defined in Formulas Condition 1.1 (ddd) and in Formulas Condition 1.1 (eee);

"**Eligible Information**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Eligible Transferee**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Entitlement Amount**" is as defined in Security Condition 3 (*Definitions)* and in Formulas Condition 6.1 (*Entitlement Amount Formulas);*

"**Entitlement Multiplier**" is as defined in Security Condition 17.5(c);

"**Entitlement Units**" is as defined in Security Condition 17.5(c);

"**Entitlement**" is as defined in Security Condition 3 (*Definitions);*

"**Entity**" is as defined in ETI Security Condition 1 (*Definitions)* and in Fund Security Condition 1 (*Definitions)*;

"**ES Cap Percentage**" is as defined in Formulas Condition 2.1(d);

"**ES Constant Percentage**" is as defined in Formulas Condition 2.1(d);

"**essential characteristics**" is as defined in Security Condition 4.8 (*General*);

"**ES Floor Percentage**" is as defined in Formulas Condition 2.1(d);

"**ES Gearing**" is as defined in Formulas Condition 2.1(d);

"**ES Spread**" is as defined in Formulas Condition 2.1(d);

"**ES Strike Percentage**" is as defined in Formulas Condition 2.1(d);

"**ES Value**" is as defined in Formulas Condition 2.1(d);

"**Established Rate**" is as defined in Security Condition 15 (b);

"**ETI Basket**" is as defined in ETI Security Condition 1 (*Definitions);*

"**ETI Documents**" is as defined in ETI Security Condition 1 (*Definitions);*

"**ETI Interest Correction Period**" is as defined in ETI Security Condition 1 (*Definitions);*

"**ETI Interest**" is as defined in ETI Security Condition 6.2(b);

"**ETI Interest(s)**" is as defined in ETI Security Condition 1 (*Definitions);*

"**ETI OET Certificate**" is as defined in Security Condition 3 (*Definitions);*

"**ETI Related Party**" is as defined in ETI Security Condition 1 (*Definitions);*

"**ETI Securities**" is as defined in Security Condition 1.1 (*Type)*;

"**ETI**" is as defined in ETI Security Condition 1 (*Definitions)* and in ETI Security Condition 6.2(b);

"**EURIBOR**" is as defined in Security Condition 22(n);

"**euro**" or "**€**" is as defined in Security Condition 15 (b);

"**Eurobond Basis**" is as defined in Security Condition 22(n);

"**Euroclear**" is as defined in Security Condition 3 (*Definitions);*

"**EuroTLX**" is as defined in Security Condition 3 (*Definitions);*

"**Event Determination Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Excess Amount**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Exchange Bonds**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Exchange Business Day** (**All ETI Interests Basis**)" is as defined in ETI Security Condition 1 (*Definitions);*

"**Exchange Business Day (All Futures Basis)**" is as defined in Futures Security Condition 1 (*Definitions);*

"**Exchange Business Day (All Indices Basis)**" is as defined in Index Security Condition 1 (*Definitions);*

"**Exchange Business Day (All Shares Basis)**" is as defined in Share Security Condition 1 (*Definitions);*

"**Exchange Business Day** (**Per ETI Interest Basis**)" is as defined in ETI Security Condition 1 (*Definitions);*

"**Exchange Business Day (Per Future Basis)**" is as defined in Futures Security Condition 1 (*Definitions);*

"**Exchange Business Day (Per Index Basis)**" is as defined in Index Security Condition 1 (*Definitions);*

"**Exchange Business Day (Per Share Basis)**" is as defined in Share Security Condition 1 (*Definitions);*

"**Exchange Business Day** (**Single ETI Interest Basis**)" is as defined in ETI Security Condition 1 (*Definitions);*

"**Exchange Business Day (Single Future Basis)**" is as defined in Futures Security Condition 1 (*Definitions);*

"**Exchange Business Day (Single Index Basis)**" is as defined in Index Security Condition 1 (*Definitions);*

"**Exchange Business Day (Single Share Basis)**" is as defined in Share Security Condition 1 (*Definitions);*

"**Exchange Business Day**" is as defined in Futures Security Condition 1 (*Definitions),* in Currency Security Condition 5 (*Futures Price Valuation),* in ETI Security Condition 1 (*Definitions),* in Index Security Condition 1 (*Definitions),* in Share Security Condition 1 (*Definitions),* in Debt Security Condition 2 (*Exchange Business Day);*

"**Exchange Disruption**" is as defined in Futures Security Condition 1 (*Definitions),* in ETI Security Condition 1 (*Definitions),* in Index Security Condition 1 (*Definitions),* in Share Security Condition 1 (*Definitions);*

"**Exchange Rate Final**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Exchange Rate Initial**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Exchange Rate Previous**" is as defined in Formulas Condition 1.1(s);

"**Exchange Rate**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Exchange traded instrument**" is as defined in Security Condition 1.1 (*Type);*

"**Exchange**" is as defined in Futures Security Condition 1 (*Definitions),* in Commodity Security Condition 1 (*Definitions),* in ETI Security Condition 1 (*Definitions),* in Index Security Condition 1 (*Definitions)* and in Share Security Condition 1 (*Definitions);*

"**Exchange-traded Contract**" is as defined in Currency Security Condition 5 (*Futures Price Valuation),* in Debt Security Condition 6 (*Futures Price Valutation)* and in Index Security Condition 5.1;

"**Excluded Deliverable Obligation**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Excluded Obligation**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Ex-Dividend Date**" is as defined in Formulas Condition 1.1(hh), in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*), in OET Certificate Condition 1 (*Definitions),* and in Share Security Condition 4 *(Dividend Event);*

"**Ex-Dividend Date**" is as defined in Share Security Condition 4 (*Dividend Event);*

"**Exempt Securities**" is as defined in paragraph 2 of the Terms and Conditions of the Securities;

"**Exercise Amount**" is as defined in Credit Security Condition 11(a)(i);

"**Exercise Business Day**" is as defined in Security Condition 3 (*Definitions);*

"**Exercise Cut-off Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Exercise Date**" is as defined in Security Condition 3 (*Definitions)*;

"**Exercise Price**" is as defined in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*) and in in OET Certificate Condition 1 (*Definitions);*

"**Expenses**" is as defined in Security Condition 9(a);

"**Express Amount**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Extended Physical Settlement Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Extension Notice**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Extraordinary ETI Event Effective Date**" is as defined in ETI Security Condition 1 (*Definitions)*;

"**Extraordinary ETI Event Notice**" is as defined in ETI Security Condition 6.1;

"**Extraordinary ETI Event Notification Date**" is as defined in ETI Security Condition 6.1;

"Extraordinary ETI Event" is as defined in ETI Security Condition 4 **(***Extraordinary ETI Events*);

*"***Extraordinary Event Effective Date"** is as defined in Share Security Condition 1 (*Definitions*);

"**Extraordinary Event**" is as defined in Share Security Condition 5.1;

"**Extraordinary External Event**" is as defined in Security Condition 13.1 (*Definitions*);

"**Extraordinary Fund Event Effective Date**" is as defined in Fund Security Condition 1 (*Definitions);*

"**Extraordinary Fund Event Notice**" is as defined in Fund Security Condition 4.1;

"**Extraordinary Fund Event Notification Date**" is as defined in Fund Security Condition 4.1;

"**Extraordinary Fund Event**" is as defined in Fund Security Condition 2 (*Extraordinary Fund Events*);

"**Extra-Yield**" is as defined in Security Condition 6.2 (*Specific Buy Back Provisions*);

"**F**" is as defined in Formulas Condition 1.1(hh);

"**Failure to Deliver due to Illiquidity**" is as defined in Security Conditions 4.2 (*Failure to Deliver due to Illiquidity)* and Security Condition 13.1(*Definitions*);

"**Failure to Deliver Settlement Price**" is as defined in Security Condition 13.2;

"**Failure to Pay**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Fallback Bond**" is as defined in Inflation Index Security Conditions 1 (*Definitions)*;

"**Fallback Settlement Event**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Fallback Settlement Method**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**FC_t**" is as defined in Formulas Condition 1.1(hh);

"**Fee Accrual Commencing Date**" is as defined in in Security Conditions 17.5(c), in Security Condition 17.7 (*Issuer Call Option),* in Security Condition 22 (n)**,** in Formulas Condition 1.1(kkk), in Formulas Condition 3.1(e) and in Formulas Condition 4.1(e);

"**Fee Accrual Date(s)**" is as defined in in Security Conditions 17.5(c), in Security Condition 17.7 (*Issuer Call Option),* in Security Condition 22 (n)**,** in Formulas Condition 1.1(kkk), in Formulas Condition 3.1(e) and in Formulas Condition 4.1(e);

"**Fee Accrual Period(s)**" is as defined in in Security Conditions 17.5(c), in Security Condition 17.7 (*Issuer Call Option),* in Security Condition 22 (n)**,** in Formulas Condition 1.1(kkk), in Formulas Condition 3.1(e) and in Formulas Condition 4.1(e);

"**Fee ISDA Rate**" is as defined in in Security Conditions 17.5(c), in Security Condition 17.7 (*Issuer Call Option),* in Security Condition 22 (n)**,** in Formulas Condition 1.1(kkk), in Formulas Condition 3.1(e) and in Formulas Condition 4.1(e);

"**Fee Margin**" is as defined in in Security Conditions 17.5(c), in Security Condition 17.7 (*Issuer Call Option),* in Security Condition 22 (n)**,** in Formulas Condition 1.1(kkk), in Formulas Condition 3.1(e) and in Formulas Condition 4.1(e);

"**Fee Range**" is as defined in Formulas Condition 1.1(hh);

"**Fee**" is as defined in Formulas Condition 1.1(hh);

"**Fees Accrued**" is as defined in in Security Conditions 17.5(c), in Security Condition 17.7 (*Issuer Call Option),* in Security Condition 22 (n)**,** in Formulas Condition 1.1(kkk), in Formulas Condition 3.1(e) and in Formulas Condition 4.1(e);

"**fees factor$_{(t)}$**" is as defined in Formulas Condition 1.1(s);

"**fees**" is as defined in Formulas Condition 1.1(s);

"**Fees$_t$**"is as defined in in Security Conditions 17.5(c), in Security Condition 17.7 (*Issuer Call Option),* in Security Condition 22 (n)**,** in Formulas Condition 1.1(kkk), in Formulas Condition 3.1(e) and in Formulas Condition 4.1(e);

"**FI Basket 1**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FI Basket 2**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FI CAES Percentage**" is as defined in Formulas Condition 2.1(h);

"**FI Constant Percentage** " is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FI Constant Percentage 1**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FI DC Barrier Value**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FI Digital Cap Condition**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FI Digital Cap Level**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FI Digital Coupon Condition**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FI Digital Floor Condition**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FI Digital Floor Level**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FI Digital Plus Condition**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FI Digital Plus Level**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FI Digital Value**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FI Lower Barrier Level 2**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FI Lower Barrier Level**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FI Rate A**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FI Rate B**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FI Rate**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FI Remuneration Valuation Date**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FI Settlement Valuation Date**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FI Upper Barrier Level 2**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FI Upper Barrier Level**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FI Valuation Date**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Final Calculation Date**" is as defined in ETI Security Condition 1 (*Definitions)* and in Fund Security Condition 1 (*Definitions);*

"**Final Coupon Rate**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Final Day Count Fraction**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Final Remuneration Pricing Date**" is as defined in Commodity Security Condition 1 (*Definitions);*

"**Final Level 1**" is as defined in Formulas Condition 1.1(cc) and in Formulas Condition 1.1(dd);

"**Final Level 2**" is as defined in Formulas Condition 1.1(cc) and in Formulas Condition 1.1(dd);

"**Final Level**" is as defined in Formulas Condition 1.1(aa), in Formulas Condition 1.1(bb) and in Formulas Condition 1.1(ff);

"**Final List Publication Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Final List**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Final Payout**" is as defined in Formulas Condition 1.1 (*Final Payout Formulas);*

"**Final Price Calculation Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Final Price Early**" is as defined in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*) and in OET Certificate Condition 1 (*Definitions);*

"**Final Price**" is as defined in Credit Security Condition 13 (*Definitions),* in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*) and in OET Certificate Condition 1 (*Definitions);*

"**Final Pricing Date**" is as defined in Commodity Security Condition 1 (*Definitions);*

"**Final Reference Level**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Final Remuneration Period**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Final Remuneration Rate**" is as defined in Formulas Condition 7 (*General Formulas Definition);*

"**Final Settlement Condition 1**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Final Settlement Condition 2**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Final Settlement Condition Level 2**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Final Settlement Condition Level**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Final Settlement Condition Level**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Final Settlement Condition**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Final Settlement Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Final Settlement Price**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Final Settlement Range Level"** is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Final Settlement Value 1**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Final Settlement Value 2**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Final Settlement Value 3**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Final Settlement Value 4**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Final Settlement Value**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Final Settlement Value$_{(i)}$**" is as defined in Formulas Condition 1.1 (qq) (i) and 1.1(qq) (ii);

"**Final Settlement Value$_{(j)}$**" is as defined in Formulas Condition 1.1 (ccc) and in Formulas Condition 1.1(ddd);

"**Final Settlement Value$_{(n)}$**" is as defined in Formulas Condition 1.1(uu)(ii), in Formulas Condition 1.1 (ddd) and in Formulas Condition 1.1 (eee);

"**Final terms**" is as defined in paragraph 6 of the Terms and Conditions of the Securities;

"**Financing Component$_{(t)}$**" is as defined in Formulas Condition 1.1(hh);

"**Financing Rate Percentage**" is as defined in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*) and in OET Certificate Condition 1 (*Definitions);*

"**Financing Rate Range**" is as defined in OET Certificate Condition 1 (*Definitions);*

"**Financing Rate**" is as defined in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*) and in OET Certificate Condition 1 (*Definitions);*

"**Financing Rate$_{t-1}$**" is as defined in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*) and in OET Certificate Condition 1 (*Definitions);*

"**First Calculation Date**" is as defined in Security Condition 17.5(c), in Security Condition 17.7 (*Issuer Call Option),* in Security Condition 22 (n), in Formulas Condition 1.1(kkk); Formulas Condition 3.1(e) and Formulas Condition 4.1(e);

"**First Entity**" is as defined in Security Condition 3 (*Definitions*);

"**First Obligation**" is as defined in Credit Security Condition 13 (*Definitions);*

"**First Ranking Interest**" is as defined in Credit Security Condition 13 (*Definitions);*

"**First Ranking**" is as defined in Credit Security Condition 13 (*Definitions);*

"**First Settlement Currency**" is as defined in Security Condition 3 (*Definitions*);

"**First Traded Price**" is as defined in Index Security Condition 5.1;

"**First Valuation Date**" is as defined in Formulas Condition 1.1(s);

"**Fiscal Agent**" is as defined in paragraph 4 of the Terms and Conditions of the Securities;

"**Fixed Cap**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Fixed Income Automatic Early Settlement Payouts**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Fixed Income Final Payouts**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Fixed Income Payouts**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Fixed Income Remuneration Rates**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Fixed Percentage**" is as defined in Formulas Condition 1.1(kkk), in Formulas Condition 3.1(e) and in Formulas Condition 7 (*General Formulas Definitions)*;

"**Fixed Percentage 1**" is as defined Formulas Condition 1.1(tt)(vi), 1.1(tt)(vii), 1.1(tt)(vi), 1.1(tt)(viii), in Formulas Condition 1.1(tt)(ix), in Formulas Condition 1.1 (tt)(x), in Formulas Condition 1.1 (ddd) and in Formulas Condition 1.1 (eee);

"**Fixed Percentage 2**" is as defined Formulas Condition 1.1(tt)(vi), 1.1(tt)(vii), 1.1(tt)(vi), 1.1(tt)(viii), in Formulas Condition 1.1(tt)(ix), in Formulas Condition 1.1 (tt)(x), in Formulas Condition 1.1 (ddd) and in Formulas Condition 1.1 (eee);

"**Fixed Percentage 3**" is as defined Formulas Condition 1.1(tt)(vi), 1.1(tt)(vii), and in Formulas Condition 1.1(tt)(vii);

"**Fixed Remuneration Amount Certificates**" is as defined Security Condition 22 (*Remuneration);*

"**Fixed Remuneration Amount**" is as defined in Security Condition 22 (n);

"**Fixing Date**" is as defined in Formulas Condition 4.1(e), in Formulas Condition 1.1(kkk), in Security Condition 17.5(c) in Security Condition 17.7 (*Issuer Call Option)* and in Security Condition 22(n);

"**Floating Rate Option**" is as defined in Underlying Interest Rate Security Condition 2 (*ISDA Determination*);

"**Floating Rate**" is as defined in Underlying Interest Rate Security Condition 2 (*ISDA Determination*);

"**Floating Remuneration Amount Certificates**" is as defined in Security Condition 22 (*Remuneration);*

"**Floor Level**" is as defined in Formulas Condition 1.1(v);

"**Floor Percentage 1**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Floor Percentage 2**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Floor Percentage**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Floor Percentage$_{(n)}$**" is as defined in Formulas Condition 1.1 (uu)(ii), in Formulas Condition 1.1(ddd) and in Formulas Condition 1.1 (eee);

"**Floor Percentage$_{(j)}$**" is as defined in Formulas Condition 1.1 (ddd) and in Formulas Condition 1.1(eee);

"**Floor**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Form of Auction Settlement Terms**" is as defined in the Annex to the Additional Terms and Conditions for Credit Securities - Auction Settlement Terms;

"Formula Constituent" is as defined in Formulas Condition 10 (*Formulas Constituents And Completion);*

"Formula" is as defined in Formulas Condition 10 (*Formulas Constituents And Completion*);

"**Forward**" is as defined in Formulas Condition 1.1(ll), in Formulas Condition 1.1(mm), 1.1(oo)(i), in Formulas Condition 1.1. (oo)(iv), in Formulas Condition 1.1. (oo)(v), in Formulas Condition 1.1 (tt)(i), in Formulas Condition 1,1(tt)(iii), in Formulas Condition 1.1 (tt) (x), in Formulas Condition 1.1 (tt) (xi), in Formulas Condition 1.1 (uu) (v) and in Formulas Condition 1.1 (uu) (vi);

"**Forward 1**" is as defined in Formulas Condition 1.1(nn), in Formulas Condition 1.1(oo)(ii), in Formulas Condition 1.1(oo)(iii), in Formulas Condition 1.1(oo) (viii), in Formulas Condition 1.1(tt) (ii), in Formulas Condition 1.1(tt) (iv) and in Formulas Condition 1.1(uu) (vii);

"**Forward 2**" is as defined in Formulas Condition 1.1(nn), in Formulas Condition 1.1(oo)(ii), in Formulas Condition 1.1(oo)(iii), in Formulas Condition 1.1(oo) (viii), in Formulas Condition 1.1(tt) (ii), in Formulas Condition 1.1(tt) (iv) and in Formulas Condition 1.1(uu) (vii);

"**Forward 3**" is as defined in Formulas Condition 1.1(uu)(vii);

"**Forward$_{(n)}$**" is as defined in Formulas Condition 1.1 (uu)(ii), in Formulas Condition 1.1 (ddd) and in Formulas Condition 1.1(eee);

"**Forward$_{(j)}$**" is as defined in Formulas Condition 1.1 (ddd) and in Formulas Condition 1.1(eee);

"**freely tradable**" is as defined in Security Condition 4.5 (*Issuer's Option to Substitute Assets or to pay the Alternate Cash Amount);*

"**FS Barrier Value 2**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FS Barrier Value**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FS Calculation Period**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FS Cap Percentage**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FS Constant Percentage**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FS CSN Rate**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FS Day Count Fraction**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FS Exit Rate**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FS Floor Percentage**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FS Gearing**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FS Rate**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FS Spread**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FS Strike Percentage**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FS Up Rate**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FS Value**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Full Quotation**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Fully Transferable Obligation**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Fund Basket**" is as defined in Fund Security Condition 1 (*Definitions)*;

"**Fund Business Day (All Fund Shares Basis)**" is as defined in Fund Security Condition 1 (*Definitions)*;

"**Fund Business Day (Per Fund Share Basis)**" is as defined in Fund Security Condition 1 (*Definitions)*;

"**Fund Business Day (Single Fund Share Basis)**" is as defined in Fund Security Condition 1 (*Definitions)*;

"**Fund Business Day**" is as defined in Fund Security Condition 1 (*Definitions*);

"**Fund Documents**" is as defined in Fund Security Condition 1 (*Definitions)*;

"**Fund Level$_0$**" is as defined in Security Condition 22 (n), in Formulas Condition 3.1(e), in Formulas Condition 4.1(e), in Formulas Condition 1.1(kkk), in Security Condition 17.5(c), in Security Condition 17.7 (*Issuer Call Option);*

"**Fund Level$_t$** " is as defined in Security Condition 22 (n)**,** in Formulas Condition 3.1(e)**,** in Formulas Condition 4.1(e), in Formulas Condition 1.1(kkk), in Security Condition 17.5(c), in Security Condition 17.7 (*Issuer Call Option)*;

"**Fund Securities**" is as defined in Security Condition 1.1 (*Type)*;

"**Fund Securities Fees Factor**" is as defined in Formulas Condition 8.1 (b);

"**Fund Security Conditions**" is as defined in paragraph 1 of Annex 9 (*Additional Terms And Conditions For Fund Securities);*

"**Fund Service Provider**" is as defined in Fund Security Condition 1 (*Definitions)*;

"**Fund Share(s)**" is as defined in Fund Security Condition 1 (*Definitions)*;

"**Fund Valuation Date**" is as defined in Fund Security Condition 1 (*Definitions)*;

"**Fund**" is as defined in Fund Security Condition 1 (*Definitions)*;

"**Further Subordinated Obligation**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Future**" is as defined in Futures Security Condition 1 (*Definitions);*

"**Futures Adjustment Event**" is as defined in Futures Security Condition 3.1 (*Futures Modification, Futures Replacement or Futures De-Listing*);

"**Futures Contract**" is as defined in Commodity Security Condition 1 (*Definitions);*

"**Futures Correction Period**" is as defined in Futures Security Condition 1 (*Definitions);*

"**Futures De-Listing**" is as defined in Futures Security Condition 3.1 (*Futures Modification, Futures Replacement or Futures De-Listing*);

"**Futures Instruments**" is as defined in Security Condition 6.2 (*Specific Buy Back Provisions);*

"**Futures Modification**" is as defined in Futures Security Condition 3.1 (*Futures Modification, Futures Replacement or Futures De-Listing*);

"**Futures or Options Exchange**" is as defined in Currency Security Condition 5 (*Futures Price Valuation)*, in Debt Security Condition 6 (*Futures Price Valutation)*, in Index Security Condition 5.1;

"**Futures Replacement**" is as defined in Futures Security Condition 3.1 (*Futures Modification, Futures Replacement or Futures De-Listing*);

"**Futures Rollover Adjustment Amount**" is as defined in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put*

Securities 1 and Put Payout Capitalised Call and Put Securities) and in OET Certificate Condition 1 (*Definitions);*

"**Futures Rollover Adjustment Ratio**" is as defined in Formulas Condition 3.1(a);

"**Futures Rollover Date**" is as defined in Currency Security Condition 5 (*Futures Price Valuation),* in Debt Security Condition 6 (*Futures Price Valutation),* in Commodity Security Condition 1 (*Definitions)* and in Index Security Condition 5.1;

"**Futures Rollover Period**" is as defined in Currency Security Condition 5 (*Futures Price Valuation),* in Debt Security Condition 6 (*Futures Price Valutation),* in Commodity Security Condition 1 (*Definitions),* in Index Security Condition 5.1;

"**Futures Securities**" is as defined in Security Condition 1.1 (*Type)*;

"**Futures Security Conditions**" is as defined in paragraph 1 of Annex 10 (*Additional Terms And Conditions For Futures Securities);*

"**Futures**" is as defined in Futures Security Condition 1 (*Definitions);*

"**FX Averaging Date**" is as defined in Currency Security Condition 1 (*Definitions)*;

"**FX Coupon Performance Value**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FX Coupon Performance**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FX Coupon Ranked Value**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FX Coupon Ranking**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FX Digital Level**" is as defined in Currency Security Condition 1 (*Definitions)*;

"**FX Digital Observation Date**" is as defined in Currency Security Condition 1 (*Definitions);*

"FX Final Remuneration Settlement Price" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FX Initial Remuneration Settlement Price**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FX Knock-in Level**" is as defined in Currency Security Condition 1 (*Definitions);*

"**FX Knock-out Level**" is as defined in Currency Security Condition 1 (*Definitions);*

"**FX Performance Value**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FX Ranking**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**FX Settlement Disruption Currency**" is as defined in Security Condition 4.7(vi);

"**FX Settlement Disruption Cut-off Date**" is as defined in Security Condition 4.7 (ii) (A);

"**FX Settlement Disruption Event**" is as defined in Security Condition 4.7(vi);

"**FX Settlement Disruption Exchange Rate**" is as defined in Security Condition 4.7(vi);

"**FX Settlement Disruption Expenses**" is as defined in Security Condition 4.7(vi);

"**FX Settlement Disruption Notice**" is as defined in Security Condition 4.7 (i);

"**FX Value**" is as defined in Formulas Condition 8.1(a);

"**FX Weighting**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"$\mathbf{Fx_{(0)}}$" is as defined in Formulas Condition 3.1(a);

"$\mathbf{FX_{(i)}}$" is as defined in Formulas Condition 6.1(a), in Formulas Condition 6.1 (b), in Formulas Condition 6.1(c);

"$\mathbf{FX_{(k,i)}}$" is as defined in Formulas Condition 6.1 (d);

"$\mathbf{Fx_{(t)}}$" is as defined in Formulas Condition 1.1(s) and Formulas Condition 3.1(a);

"$\mathbf{Fx_{(t0)}}$" is as defined in Formulas Condition 1.1(s);

"$\mathbf{Fx_{(t-1)}}$" is as defined in Formulas Condition 3.1(a);

"**FXR_1**" is as defined in Formulas Condition 1.1 (ppp);

"**FXR_2**" is as defined in Formulas Condition 1.1 (ppp);

"**FXR_n**" is as defined in Formulas Condition 1.1 (ppp);

"**G**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"$\mathbf{G}_j$" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"$\mathbf{W}_i$" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**GDR**" is as defined Share Security Condition 9 (*Definitions relating to GDR/ADR)*;

"**GDR/ADR**" is as defined in Security Condition 1.1 (*Type)*

"**Gearing 1**" is as defined in Formulas Condition 1.1(nn), in Formulas Condition 1.1(oo)(vii), in Formulas

Condition 1.1(uu)(x) and in Formulas Condition 1.1 (vv), in Formulas Condition 5.1(j) and in Formulas Condition 5.1 (k);

"**Gearing 2**" is as defined in Formulas Condition 1.1(nn), in Formulas Condition 1.1(oo)(vii), in Formulas Condition 1.1(uu)(x) and in Formulas Condition 1.1 (vv), in Formulas Condition 5.1(j) and in Formulas Condition 5.1 (k);

"**Gearing 3**" is as defined in Formulas Condition in Formulas Condition 1.1(vv) and 1.1 (yy);

"**Gearing 4**" is as defined in Formulas Condition 1.1 (yy);

"**Gearing Down 1**" is as defined in Formulas Condition 1.1(bbb) and in Formulas Condition 1.1(ccc);

"**Gearing Down 2**" is as defined in Formulas Condition 1.1(bbb) and in Formulas Condition 1.1(ccc);

"**Gearing Down**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Gearing Up 1**" is as defined in Formulas Condition 1.1(bbb) and in Formulas Condition 1.1(ccc);

"**Gearing Up 2**" is as defined in Formulas Condition 1.1(bbb) and in Formulas Condition 1.1(ccc);

"**Gearing Up**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Gearing**" is as defined in Formulas Condition 7 (*General Formulas Definitions)*;

"**Gearing$_n$**" is as defined in Formulas Condition 1.1 (uu)(ii), in Formulas Condition 1.1 (ddd) and in Formulas Condition 1.1(eee);

"**Gearing$_j$**" is as defined in Formulas Condition 1.1 (ddd) and in Formulas Condition 1.1(eee);

"**Generic Percentage$_{(n,1)}$**" is as defined in Formulas Condition 1.1(uu)(ii), in Formulas Condition 1.1(ddd) and in Formulas Condition 1.1(eee);

"**Generic Percentage$_{(n,2)}$** " is as defined in Formulas Condition 1.1(uu)(ii), in Formulas Condition 1.1(ddd) and in Formulas Condition 1.1(eee);

"**Generic Percentage$_{(j,1)}$**" is as defined in Formulas Condition 1.1 (ddd) and in Formulas Condition 1.1(eee);

"**Generic Percentage$_{(j,2)}$**" is as defined in Formulas Condition 1.1 (ddd) and in Formulas Condition 1.1(eee);

"**Global Cap 1**" is as defined in Formulas Condition 1.1 (ddd) and Formulas Condition 1.1 (eee);

"**Global Cap 2**" is as defined in Formulas Condition 1.1 (ddd) and Formulas Condition 1.1 (eee);

"**Global Cap A**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Global Cap B**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Global Cap**" is as defined in Formulas Condition 7 (*General Formulas Definitions)* and in Formulas Condition 1.1 (uu) (ii);

"**Global Floor 1**" is as defined in Formulas Condition 1.1 (ddd) and Formulas Condition 1.1 (eee);

"**Global Floor 2**" is as defined in Formulas Condition 1.1 (ddd) and Formulas Condition 1.1 (eee);

"**Global Floor A**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Global Floor B**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Global Floor Percentage**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Global Floor**" is as defined in Formulas Condition 7 (*General Formulas Definitions)* and in Formulas Condition 1.1 (tt)(ii);

"**Global Margin**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Global Security**" is as defined in paragraph 9 of the Terms and Conditions of the Securities;

"**Government Authority**" is as defined in Security Condition 13.1(*Definitions);*

"**Governmental Intervention**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Grace Period Business Day**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Grace Period Extension Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Grace Period**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Greatest Basket Value**" is as defined in Formulas Condition 8.2(b);

"**Greatest Best Intraday Value**" is as defined in Formulas Condition 8.2(b);

"**Greatest Best Value**" is as defined in Formulas Condition 8.2(b);

"**Greatest Rainbow Value**" is as defined in Formulas Condition 8.2(b);

"**Greatest Underlying Reference Intraday Value**" is as defined in Formulas Condition 8.2(a);

"Greatest Underlying Reference Restrike Intraday Value" is as defined in Formulas Condition 8.1(b);

"Greatest Underlying Reference Restrike Value" is as defined in Formulas Condition 8.1(b);

"**Greatest Underlying Reference Value (Basket)**" is as defined in Formulas Condition 8.2(b);

"**Greatest Underlying Reference Value**" is as defined in Formulas Condition 8.2(a);

"**Greatest Worst Value**" is as defined in Formulas Condition 8.2(b);

"**Gross div$_{(t)}$**" is as defined in Formulas Condition 3.1(a);

"**Gross div$_{(ti)}$**" is as defined in Formulas Condition 1.1(s);

"**Guarantee of the Securities**" is as defined in paragraph 4 of the Terms and Conditions of the Securities;

"**Guarantee**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Guaranteed Cash Settlement Amount**" is as defined in Security Condition 2.2 (*Status of Guarantee*);

"**Guarantor"** is as defined in paragraph 3 of the Terms and Conditions of the Securities;

"**hc**" is as defined in Formulas Condition 1.1(hh);

"**Hedge Disruption Event**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Hedge Provider**" is as defined in ETI Security Condition 1 (*Definitions)* and in Fund Security Condition 1 (*Definitions)*;

"**Hedge Transaction**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Hedge**" is as defined in Security Condition 13.1(a);

"**Hedging Cost**" is as defined in Formulas Condition 1.1(hh);

"**Hedging Date**" is as defined in ETI Security Condition 1 (*Definitions)* and in Fund Security Condition 1 (*Definitions)*;

"**Hedging Disruption**" is as defined in Security Condition 13.1 (*Definitions)* and Credit Security Condition 13 (*Definitions)*;

"**Hedging Liquidity Event**" is as defined in Share Security Condition 5.3 (a);

"**Hedging Party Default**" is as defined in Security Condition 13.1 (*Definitions);*

"**Hedging Shares**" is as defined in Security Condition 13.1 (*Definitions)* and ETI Security Condition 1 (*Definitions*);

"**holder of Securities**" is as defined in Security Condition 1.2 (*Title to Securities);*

"**Hybrid Business Day**" is as defined in Security Condition 3 (*Definitions);*

"**Hybrid Securities**" is as defined in Security Condition 1.1 (*Type)*;

"**Hypothetical Investor**" is as defined in ETI Security Condition 1 (*Definitions)* and Fund Security Condition 1 (*Definitions);*

"**i**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"***i***" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**I**" is as defined in Formulas Condition 1.1 (fff);

"**Illiquidity Disruption**" is as defined in Currency Security Condition 1 (*Definitions);*

"**Illiquidity**" is as defined in Share Security Condition 5.1;

"**Implicit Portfolio Size**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Implied Embedded Option Value Determination Date**" is as defined in ETI Security Condition 1 (*Definitions)* and Fund Security Condition 1 (*Definitions)*;

"**Implied Embedded Option Value**" is as defined in ETI Security Condition 1 (*Definitions)* and in Fund Security Condition 1 (*Definitions)*;

"**Increased Cost of Hedging**" is as defined in Security Condition 13.1(*Definitions)* and Credit Security Condition 13 (*Definitions);*

"**Increased Cost of Stock Borrow**" is as defined in Security Condition 13.1 (*Definitions)*;

"**Incurred Loss Amount**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Incurred Recovery Amount**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Index Adjustment Event**" is as defined in Index Security Condition 3.2 (*Modification and Cessation of Calculation of an Index);*

"**Index Cancellation**" is as defined in Inflation Index Security Condition 1 (*Definitions)* and Index Security Condition 3.2 (*Modification and Cessation of Calculation of an Index);*

"**Index Component Disruption Event**" is as defined in Commodity Security Condition 1 (*Definitions);*

"**Index Component**" is as defined in Commodity Security Condition 1 (*Definitions)* and in Commodity Security Condition 3 (b);

"**Index Correction Period**" is as defined in Index Security Condition 1 (*Definitions);*

"**Index Disruption**" is as defined in Index Security Condition 3.2 (*Modification and Cessation of Calculation of an Index);*

"**Index Modification**" is as defined in Inflation Index Security Conditions 1 (*Definitions)* and in Index Security Condition 3.2 (*Modification and Cessation of Calculation of an Index);*

"**Index Securities**" is as defined in Security Condition 1.1 (*Type)*;

"Index Security Conditions" is as defined in paragraph 1 of Annex 2 (*Additional Terms And Conditions For Index Securities*);

"**Index Share**" is as defined in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*) and in OET Certificate Condition 1 (*Definitions),* in Formulas Condition 1.1(hh);

"**Index Sponsor**" is as defined in Credit Security Condition 13 (*Definitions)* and Index Security Condition 1 (*Definitions);*

"**Index Sponsor**" is as defined in Inflation Index Security Conditions 1 (*Definitions)*;

"**Index**" is as defined in Index Security Condition 1 (*Definitions);*

"**Index-Components Arbitrage**" is as defined in Security Condition 6.2 (*Specific Buy Back Provisions)*;

"**Indicative Quotation**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Indices**" is as defined in Index Security Condition 1 (*Definitions);*

"**Inflation Index Securities**" is as defined in Security Condition 1.1(*Type)*;

"**Inflation Index Security Conditions**" is as defined in paragraph 1 of Annex 7 (*Additional Terms and Conditions for Inflation Index Securities)*;

"**Inflation Index**" is as defined in Inflation Index Security Conditions 1 (*Definitions);*

"**Inflation Index**$_{(base)}$" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Inflation Index**$_{(i)}$**"** is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Inflation Index**$_{(i-1)}$" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Inflation Indices**" is as defined in Inflation Index Security Conditions 1 (*Definitions);*

"**Inflation Rate**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Initial ACT Day**" is as defined in Formulas Condition 8.1(e);

"**Initial Calculation Date**" is as defined in ETI Security Condition 1 (*Definitions)* and in Fund Security Condition 1 (*Definitions)*;

"**Initial Remuneration Pricing Date**" is as defined in Commodity Security Condition 1 (*Definitions);*

"**Initial Pricing Date**" is as defined in Commodity Security Condition 1 (*Definitions);*

"**Initial Reference Level**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Initial Settlement Price**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Initial Stock Loan Rate**" is as defined in Security Condition 13.1 *(Definitions*)*;*

"**Initial Valuation Date**" is as defined in Formulas Condition 1.1(s);

"**Insolvency Filing**" is as defined in Security Condition 13.1 *(Definitions*) in Share Security Condition 5.1;

"**Insolvency**" is as defined in Share Security Conditions 5.1;

"**Interbank Rate 1 Screen Page**" is as defined in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*), in OET Certificate Condition 1 (*Definitions);*

"**Interbank Rate 1 Specified Time**" is as defined in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*) and in OET Certificate Condition 1 (*Definitions);*

"**Interbank Rate 1**" is as defined in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*), in OET Certificate Condition 1 (*Definitions);*

"**Interbank Rate 2 Screen Page**" is as defined in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*), and in OET Certificate Condition 1 (*Definitions);*

"**Interbank Rate 2 Specified Time**" is as defined in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*) and in OET Certificate Condition 1 (*Definitions);*

"**Interbank Rate 2**" is as defined in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*) and in OET Certificate Condition 1 (*Definitions);*

"**Interest Margin**" is as defined in Formulas Condition 1.1(hh);

"**Interest Remuneration Date**" is as defined in Commodity Security Condition 1 (*Definitions)*;

"**Interest**" is as defined in Credit Security Condition 13 (*Definitions)*

"**Interests**" is as defined in ETI Security Condition 1 (*Definitions)*;

"**Intervening Period**" is as defined in Security Condition 4.4 (*Intervening Period);*

"**Intraday Level**" is as defined in Index Security Condition 1 (*Definitions);*

"**Intraday Price**" is as defined in Commodity Security Condition 1 (*Definitions),* in ETI Security Condition 1 (*Definitions)* and in Share Security Condition 1 (*Definitions);*

"**Investment/AUM Level**" is as defined in ETI Security Condition 1 (*Definitions)*;

"**ISDA Definitions**" is as defined in Security Condition 22(n) and in Underlying Interest Rate Security Condition 2 (*ISDA Determination*);

"**ISDA Rate**" is as defined in Security Condition 22 (d) (i);

"**ISDA**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Issue**" is as defined in paragraph 4 of the Terms and Conditions of the Securities;

"**Issue Date**" is as defined in Security Condition 3 (*Definitions*);

"**Issue Price**" is as defined in Security Condition 3 (*Definitions*);

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

"**Italian Dematerialised Securities**" is as defined in Security Condition 3 (*Definitions);*

"**Italian Listed Certificates**" is as defined in Security Condition 3 (*Definitions);*

"**Italian Listed Securities**" is as defined in Security Condition 3 (*Definitions);*

"**Italian Paying Agent**" is as defined in paragraph 4 of the Terms and Conditions of the Securities;

"**Italian Securities Reference Price**" is as defined in Share Security Condition 1 (*Definitions)*

"**Italian Stock Exchange**" is as defined in Security Condition 3 (*Definitions);*

"**J**" is as defined in Formulas Condition 1.1 (ddd) and 1.1(eee);

"***j***" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Joint Potential Successor**" is as defined in Credit Security Condition 9 (a)(iv);

"**Joint Relevant Obligation**" is as defined in Credit Security Condition 9 (a)(iv);

"**Jurisdiction Event**" is as defined in Security Condition 13.1 (*Definitions);*

"***k***" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"***K***" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Knock-in Averaging Date**" is as defined in Currency Security Condition 1 (*Definitions);*

"**Knock-in Determination Day**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event)*;

"**Knock-in Determination Period**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event*);

"**Knock-in Event**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event)*;

"**Knock-in Level**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event)*;

"**Knock-in Observation Date**" is as defined in Currency Security Condition 1 (*Definitions);*

"Knock-in Observation Price Source" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event*)

"**Knock-in Period Beginning Date**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event)*;

"**Knock-in Period Ending Date**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event)*;

"**Knock-in Range Level**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event)*;

"**Knock-in Valuation Time**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event)*;

"Knock-in Value" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event*);

"**Knock-out Averaging Date**" is as defined in Currency Security Condition 1 (*Definitions)*

"**Knock-out Determination Day**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event)*;

"**Knock-out Determination Period**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event)*;

"**Knock-out Event"** is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event*);

"Knock-out Level" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event*);

"**Knock-out Observation Date**" is as defined in Currency Security Condition 1 (*Definitions);*

"Knock-out Observation Price Source" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event*);

"**Knock-out Period Beginning Date"** is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event*);

"**Knock-out Period Ending Date**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event)*;

"**Knock-out Range Level**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event)*;

"**Knock-out Valuation Time**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event)*;

"Knock-out Value" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event*)

"**L**" is as defined in Formulas Condition 7 (*General Formulas Definitions)* and in Formulas Condition 1.1(hh);

"**Largest Asset Package**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Latest Level**" is as defined in Inflation Index Security Conditions 2.1 (b);

"**Latest Maturity Restructured Bond or Loan**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Latest Permissible Physical Settlement Date**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Legacy Reference Entity**" is as defined in Credit Security Condition 9(c)(ii) and Credit Security Condition 13 (*Definitions)*;

"**Level**" is as defined in Security Condition 14.7 (*Definitions relating to Knock-in Event/Knock-out Event)*;

"**$Level_{k,t}$**" is as defined in Formulas Condition 8.1(e);

"**$Level_{k,t-1}$**" is as defined in Formulas Condition 8.1(e);

"**Leverage Factor**" is as defined in Formulas Condition 1.1(hh);

"**Leverage Floating Rate Option Page**" is as defined in Formulas Condition 8.1(e);

"**Leverage Floating Rate Option Time**" is as defined in Formulas Condition 8.1(e);

"**Leverage Floating Rate Option**" is as defined in Formulas Condition 8.1(e);

"**Leverage Floating Rate**" is as defined in Formulas Condition 8.1(e);

"**Leverage $Rate_{t-1}$**" is as defined in Formulas Condition 8.1(e);

"**Leveraged Barrier**" is as defined in Security Condition 17.5(c);

"**LIBID**" is as defined in Security Condition 22 (n);

"**LIBOR**" is as defined in Security Condition 22 (n);

"**LIMEAN**" is as defined in Security Condition 22 (n);

"**Limit Price Event**" is as defined in Commodity Security Condition 1 (*Definitions);*

"**Limitation Date**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Linear Basket Credit Securities**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Linked Remuneration Amount Certificates**" is as defined in Security Condition 22 (*Remuneration);*

"**Listed**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Listing Change**" is as defined in Share Security Condition 5.1;

"**Listing Date**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Listing Suspension**" is as defined in Share Security Condition 5.1;

"**ln**" is as defined in Formulas Condition 8.1(e);

"**Loan**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Local Business Day**" is as defined in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*) and in OET Certificate Condition 1 (*Definitions);*

"**Local Cap Percentage**" is as defined in Formulas Condition 5.1(n) and in Formulas Condition 7 (*General Formulas Definitions);*

"**Local Cap Percentage$_{(i)}$**" is as defined in Formulas Condition 1.1(qq) (i) 1.1(qq)(ii) and in Formulas Condition 7 (*General Formulas Definitions);*

"**Local Cap**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Local Currency**" is as defined in Security Condition 13.1 *(Definitions)*;

"**Local Floor Percentage**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Local Floor Percentage$_{(i)}$**" is as defined in Formulas Condition 1.1(qq) (i), 1.1(qq)(ii) and in Formulas Condition 7 (*General Formulas Definitions);*

"**Local Floor**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**London Business Day**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Loss Amount**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Loss of Stock Borrow**" is as defined in Security Condition 13.1 *(Additional Disruption Events And Optional Additional Disruption Events)* and ETI Security Condition 1 *(Definitions)*;

"**Loss Percentage**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Loss Percentage 1**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Loss Percentage 2**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Loss Percentage$_{(n)}$**" is as defined in Formulas Condition 1.1(ddd) and in Formulas Condition 1.1 (eee);

"**Loss Percentage$_{(j)}$**" is as defined in Formulas Condition 1.1 (ddd) and in Formulas Condition 1.1(eee);

"**Loss Threshold Amount**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Lower Level**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Lowest Basket Value**" is as defined in Formulas Condition 8.3(b);

"**Lowest Best Value**" is as defined in Formulas Condition 8.3(b);

"**Lowest Rainbow Value**" is as defined in Formulas Condition 8.3(b);

"**Lowest Underlying Reference Intraday Value**" is as defined in Formulas Condition 8.3(a);

"Lowest Underlying Reference Restrike Intraday Value" is as defined in Formulas Condition 8.1(b);

"**Lowest Underlying Reference Restrike Value"** is as defined in Formulas Condition 8.1(b);

"**Lowest Underlying Reference Value**" is as defined in Formulas Condition 8.3(a).

"**Lowest Worst Intraday Value**" is as defined in Formulas Condition 8.3(b);

"**Lowest Worst Value**" is as defined in Formulas Condition 8.3(b);

"**LPN Issuer**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**LPN Reference Obligation**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**LPN**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Luxembourg Bail-in Power**" is as defined in Security Condition 13.1 (*Definitions)*;

"**M**" is as defined in Formulas Condition 1.1(qq)(i) and 1.1(qq)(ii), in Formulas Condition 1.1(rr), in Credit Security Condition 13 (*Definitions)* and in Formulas Condition 7 (*General Formulas Definitions);*

"**m**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**M1**" is as defined in Security Condition 22 (n);

"**M2**" is as defined in Security Condition 22 (n);

"**M(M)R Restructuring**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Management Fee Rate**" is as defined in Formulas Condition 3.1(a);

"**Margin**" is as defined in Security Condition 22 (n);

"**Market Disruption Event**" is as defined in Index Security Condition 2 *(Market Disruption)*, in Share Security Condition 2 (*Market Disruption)*, ETI Security Condition 2 (*Market Disruption*), Debt Security Condition 3 (*Market Disruption*), Commodity Security Condition 1 (*Market Disruption*) and Futures Security Condition 2 (*Market Disruption*);

"**Market Value**" is as defined in Security Condition 6.2 (*Specific Buy Back Provisions);*

"**Material Change in Content**" is as defined in Commodity Security Condition 1 (*Definitions)*;

"**Material Change in Formula**" is as defined in Commodity Security Condition 1 (*Definitions)*;

"**Max Exposure**" is as defined in Formulas Condition 8.1(e);

"**Max**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Maximum Amount**" is as defined in Security Condition 3 (*Definitions)*;

"**Maximum Days of Disruption**" is as defined in Fund Security Condition 1 (*Definitions)*;

"**Maximum Hedging Cost**" is as defined in Formulas Condition 1.1(hh);

"**Maximum Hedging Liquidity Level**" is as defined in Share Security Condition 5.3 (a);

"**Maximum Interest Margin**" is as defined in Formulas Condition 1.1(hh);

"**Maximum Maturity**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Maximum MFP Call Payout**" is as defined in Formulas Condition 4.1 (d);

"**Maximum Payout Amount**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Maximum AES Reference Rate**" is as defined in Security Condition 17.5(c);

"Maximum Stock Loan Rate" is as defined in Security Condition 13.1 (*Definitions*) and ETI Security Condition 1 (*Definitions)*;

"**Mediobanca International**" is as defined in paragraph 3 of the Terms and Conditions of the Securities;

"**Mediobanca**" is as defined in paragraph 3 of the Terms and Conditions of the Securities;

"**MFP Memory Snowball Digital Coupon Condition**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Merger Event Settlement Date**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Merger Event**" is as defined in Share Security Condition 5.1, in Fund Security Condition 1 (*Definitions)*, in ETI Security Condition 1 (*Definitions)*, in Credit Security Condition 13 (*Definitions)*;

"**Method for Determining Deliverable Obligations**" is as defined in Credit Security Condition 13 (*Definitions)*

"**Method for Determining Obligations**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**MFP ACS Valuation Date**" is as defined in Security Condition 22(l);

"**MFP ACS Valuation Period**" is as defined in Security Condition 22(l);

"**MFP ACS Value**" is as defined in Security Condition 22(l);

"**MFP AES Value 1**" is as defined in Security Condition 17.5(c);

"**MFP AES Value 2**" is as defined in Security Condition 17.5(c);

"**MFP AES Value**" is as defined in Security Condition 17.5(c);

"**MFP APS Valuation Date**" is as defined in Security Condition 19.1;

"**MFP APS Valuation Period**" is as defined in Security Condition 19.1;

"**MFP APS Value**" is as defined in Security Condition 19.1;

"**MFP Automatic Early Settlement Payouts**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**MFP Call Calculation Period**" is as defined in Formulas Condition 4.1(d);

"**MFP Call Cap Percentage**" is as defined in Formulas Condition 4.1(d);

"**MFP Call Constant Percentage**" is as defined in Formulas Condition 4.1(d);

"**MFP Call CSN Rate**" is as defined in Formulas Condition 4.1(d);

"**MFP Call Exit Rate**" is as defined in Formulas Condition 4.1(d);

"**MFP Call Floor Percentage**" is as defined in Formulas Condition 4.1(d)

"**MFP Call Gearing**" is as defined in Formulas Condition 4.1(d)

"**MFP Call Payouts**" is as defined in Formulas Condition 7 (*General Formulas Definitions)*

"**MFP Call Rate**" is as defined in Formulas Condition 4.1(d)

"**MFP Call Reference Rate**" is as defined in Formulas Condition 4.1(d)

"**MFP Call Settlement Percentage**" is as defined in Formulas Condition 4.1(d)

"**MFP Call Spread Percentage**" is as defined in Formulas Condition 4.1(d);

"**MFP Call Strike Percentage**" is as defined in Formulas Condition 4.1(d)

"**MFP Call Up Rate**" is as defined in Formulas Condition 4.1(d)

"**MFP Call Valuation Date**" is as defined in Formulas Condition 4.1(d)

"**MFP Call Valuation Period**" is as defined in Formulas Condition 4.1(d)

"**MFP Call Value**" is as defined in Formulas Condition 4.1(d);

"**MFP Coupon Valuation Date**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**MFP Coupon Valuation Period**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**MFP Coupon Valuation Period$_{(i)}$"** is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**MFP Date Weighting**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**MFP Digital Mixed Coupon Condition**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**MFP Double Digital Mixed Coupon Condition 1**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**MFP Double Digital Mixed Coupon Condition 2**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**MFP EndDay Valuation Date**" is as defined in Formulas Condition 8.1(b);

"**MFP Entitlement Amounts**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**MFP ES Valuation Date**" is as defined in Formulas Condition 2.1(d);

"**MFP Final Payout**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**MFP FS Barrier Valuation Date**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**MFP FS Barrier Valuation Period**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**MFP FS Valuation Date**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**MFP FS Valuation Period**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**MFP Memory Snowball Date**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**MFP Payouts**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**MFP Put Calculation Period**" is as defined in Formulas Condition 3.1(d);

"**MFP Put Cap Percentage**" is as defined in Formulas Condition 3.1(d);

"**MFP Put Constant Percentage**" is as defined in Formulas Condition 3.1(d);

"**MFP Put CSN Rate**" is as defined in Formulas Condition 3.1(d);

"**MFP Put Exit Rate**" is as defined in Formulas Condition 3.1(d);

"**MFP Put Floor Percentage**" is as defined in Formulas Condition 3.1(d);

"**MFP Put Gearing**" is as defined in Formulas Condition 3.1(d);

"**MFP Put Payouts**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**MFP Put Rate**" is as defined in Formulas Condition 3.1(d);

"**MFP Put Reference Rate**" is as defined in Formulas Condition 3.1(d);

"**MFP Put Settlement Percentage**" is as defined in Formulas Condition 3.1(d);

"**MFP Put Spread Percentage**" is as defined in Formulas Condition 3.1(d);

"**MFP Put Strike Percentage**" is as defined in Formulas Condition 3.1(d);

"**MFP Put Up Rate**" is as defined in Formulas Condition 3.1(d);

"**MFP Put Valuation Date**" is as defined in Formulas Condition 3.1(d);

"**MFP Put Valuation Period**" is as defined in Formulas Condition 3.1(d);

"**MFP Put Value**" is as defined in Formulas Condition 3.1(d);

"**MFP Range Accrual Coupon Barrier Level Down**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**MFP Range Accrual Coupon Barrier Level Up**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**MFP Range Accrual Coupon Condition**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**MFP Range Accrual Day**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**MFP Remuneration Rates**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**MFP Settlement Valuation Date**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**MFP Settlement Valuation Period**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**MFP StartDay Valuation Date**" is as defined in Formulas Condition 8.1(b);

"**MFP Valuation Date**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**MFP Valuation Period**" is as defined in Formulas Condition 2.1(d) and Formulas Condition 7 (*General Formulas Definitions);*

"**MFP Call Payouts**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**MID**" is as defined in Share Security Condition 5.1 under the definition of Illiquidity;

"**Min Exposure**" is as defined in Formulas Condition 8.1(e);

"**Min**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Minimum Amount**" is as defined in Security Condition 3 (*Definitions*);

"**Minimum Hedging Cost**" is as defined in Formulas Condition 1.1(hh);

"**Minimum Interest Margin**" is as defined in Formulas Condition 1.1(hh);

"**Minimum Quotation Amount**" is as defined in Credit Security Condition 13 (*Definitions*);

"**MinimumAES Reference Rate**" is as defined in Security Condition 17.5(c);

"**Mixed Barrier Level**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Mixed Barrier Range Level**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Mixed Barrier Value**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Mixed Constant 1**" is as defined in Formulas Condition 1.1 (hhh) and in Formulas Condition 1.1 (iii);

"**Mixed Constant 2**" is as defined in Formulas Condition 1.1 (hhh) and in Formulas Condition 1.1 (iii);

"**Mixed Coupon Constant 1$_{(i)}$**" is as defined in Formulas Condition 5.1 (j) and in in Formulas Condition 5.1 (k);

"**Mixed Coupon Constant 2$_{(i)}$**" is as defined in Formulas Condition 5.1 (j) and in in Formulas Condition 5.1 (k);

"**Mixed Coupon Constant 3$_{(i)}$**" is as defined in Formulas Condition 5.1 (k);

"**Mixed Coupon Gearing 1$_{(i)}$**" is as defined in Formulas Condition 5.1 (j) and in in Formulas Condition 5.1 (k);

"**Mixed Coupon Gearing 2$_{(i)}$**" is as defined in Formulas Condition 5.1 (j) and in in Formulas Condition 5.1 (k);

"**Mixed Coupon Gearing 3$_{(i)}$**" is as defined in Formulas Condition 5.1 (k);

"**Mixed Gearing 1**" is as defined in Formulas Condition 1.1 (hhh) and in Formulas Condition 1.1 (iii);

"**Mixed Gearing 2**" is as defined in Formulas Condition 1.1 (hhh) and in Formulas Condition 1.1 (iii);

"**Modified Eligible Transferee**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Modified Postponement**" is as defined in Security Condition 3 (*Definitions);*

"**Modified Restructuring Maturity Limitation Date**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Monetisation Amount**" is as defined in Security Condition 20 (c);

"**Monte Titoli Accountholder**" is as defined in Security Condition 3 (*Definitions*);

"**Moody's**" is as defined in ETI Security Condition 4.25 and in Fund Security Condition 2.38;

"**Movement Option Cut-off Date**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Multi-Exchange Index**" is as defined in Index Security Condition 1 (*Definitions)*;

"**Multiple Default Trigger**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Multiple Holder Obligation**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Multiple Underlying Interest Rate Gearing**" is as defined in Security Condition 17.5(c) and in Formulas Condition 7 (*General Formulas Definitions);*

"**Multiple Underlying Interest Rate**" is as defined in Security Condition 17.5 (c), in Security Condition 17.7 (*Issuer Call Option)* and in Formulas Condition 7 (*General Formulas Definitions);*

*"***Multiple Underlying Reference Rate Value**" is as defined in Security Condition 17.5(c);

"**Multiple Underlying Reference Rate**" is as defined in Security Condition 17.5(c) and in Formulas Condition 7 (*General Formulas Definitions);*

"**Mutual Fund**" is as defined in Fund Security Condition 1 (*Definitions)*;

"**N**" is as defined in Credit Security Condition 13 (*Definitions*), in Formulas Condition 1.1(ddd), 1.1(eee), in Formulas Condition 5.1 (f), in Formulas Condition 5.1 (n), in Formulas Condition 5.1 (o), in Formulas Condition 7 (*General Formulas Definitions);*

"**n**" is as defined in in Security Condition 20 (c), in Formulas Condition 1.1(uu)(ii), in Formulas Condition 1.1(ddd), 1.1(ddd), in formulas Condition 5.1 (f), in Formulas Condition 5.1 (n), in Formulas Condition 5.1 (o), in Formulas Condition 7 (*General Formulas Definitions)* and in Formulas Condition 8.1(e);

"**n(t-1,t)**" is as defined in Formulas Condition 1.1(hh);

"**NA**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**National Currency Unit**" is as defined in Security Condition 15 (b);

"**Nationalisation**" is as defined in Share Security Condition 5.1;

"**NAV per Fund Share**" is as defined in Fund Security Condition 1 (*Definitions);*

"**NAV Trigger Event**" is as defined in Fund Security Condition 1 (*Definitions)*;

"**NAV Trigger Percentage**" is as defined in Fund Security Condition 1 (*Definitions)*;

"**NAV Trigger Period**" is as defined in Fund Security Condition 1 (*Definitions);*

"**Nearby Month**" is as defined in Commodity Security Condition 1 (*Definitions);*

"**nEDS**" is as defined in Formulas Condition 1.1(ll), in Formulas Condition 1.1(mm), 1.1(oo)(i), in Formulas Condition 1.1. (oo)(iv), in Formulas Condition 1.1 (tt)(i), in Formulas Condition 1,1(tt)(iii), in Formulas Condition 1.1 (tt) (x), in Formulas Condition 1.1 (tt) (xi), in Formulas Condition 1.1 (uu) (v) and in Formulas Condition 1.1 (uu) (vi);

"**nEDs 1**" is as defined in Formulas Condition 1.1(nn), in Formulas Condition 1.1(oo)(ii), in Formulas Condition 1.1(oo)(iii), in Formulas Condition 1.1(oo) (viii), in Formulas Condition 1.1(tt) (ii), in Formulas Condition 1.1(tt) (iv) and in Formulas Condition 1.1(uu) (vii);

"**nEDS 2**" is as defined in Formulas Condition 1.1(nn), in Formulas Condition 1.1(oo)(ii), in Formulas Condition 1.1(oo)(iii), in Formulas Condition 1.1(oo) (viii), in Formulas Condition 1.1(tt) (ii), in Formulas Condition 1.1(tt) (iv) and in Formulas Condition 1.1(uu) (vii);

"**nEDS 3**" is as defined in Formulas Condition 1.1(uu)(vii);

"**nEDS$_{(n)}$**" is as defined in Formulas Condition 1.1 (tt)(ii), in Formulas Condition 1.1 (ccc) and in Formulas Condition 1.1(ddd);

"**nEDS$_{(j)}$"** is as defined in Formulas Condition 1.1 (ddd) and in Formulas Condition 1.1(eee);

"**nEnd days**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Net Proceeds**" is as defined in Formulas Condition 2.1(e);

"**Next Currency Fixing Time**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**No Auction Announcement Date**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Non-Capped Reference Entity**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Non- Approval Event**" is as defined in Security Condition 13 (*Definitions*);

"**Non-Commencement or Discontinuance of an Exchange-traded Contract**" is as defined in Debt Security Condition 6 (*Futures Price Valutation),* and in Currency Security Condition 5 (*Futures Price Valuation),* in Index Security Condition 5.1;

"**Non-Conforming Reference Obligation**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Non-Conforming Substitute Reference Obligation**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Non-Contingent Amount**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Non-Financial Instrument**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Non-Financial Rating Agency**" is as defined in Share Security Condition 5.1;

"**Non-Financial Rating**" is as defined in Share Security Condition 5.1;

"**Non-Principal Protected Termination Amount**" is as defined in Fund Security Condition 1 (*Definitions)* and in ETI Security Condition 1 (*Definitions)*;

"**Non-Standard Reference Obligation**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Non-Transferable Instrument**" is as defined in Credit Security Condition 13 (*Definitions);*

"**NOPS Amendment Notice**" is as defined in Credit Security Condition 13 (*Definitions);*

"**NOPS Cut-off Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**NOPS Effective Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Not Bearer**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Not Domestic Currency**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Not Domestic Issuance**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Not Domestic Law**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Not Sovereign Lender**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Not Subordinated**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Notice Delivery Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Notice Delivery Period**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Notice of Physical Settlement**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Notice of Publicly Available Information**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Notional Amount**" is as defined in Security Condition 3 (*Definitions);*

"**Notional Credit Derivative Transaction**" is as defined in Credit Security Condition 13 (*Definitions);*

"**NSk_t**" is as defined in Formulas Condition 8.1(e);

"**nStart days**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Nth to Default Linear Basket Credit Securities**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Nth**" is as defined in Credit Security Condition 13 (*Definitions)* and Formulas Condition 8.1(b);

"**Nth-to-Default Credit Security**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Number of NAV Publication Days**" is as defined in Fund Security Condition 1 (*Definitions)*;

"**Number of Value Publication Days**" is as defined in ETI Security Condition 1 (*Definitions)*;

"**Number$_{(k,i)}$**" is as defined in Formulas Condition 6.1 (d);

"**Obligation Acceleration**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Obligation Category**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Obligation Characteristic**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Obligation Currency**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Obligation Default**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Obligation**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Observation Date**" is as defined in Security Condition 3 (*Definitions),* in Currency Security Condition 1 (*Definitions),* in Fund Security Condition 1 (*Definitions)*;

"**Observation Period**" is as defined in Security Condition 3 (*Definitions);*

"**Observation Price**" is as defined in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*), in Formulas Condition 1.1(hh), and in OET Certificate Condition 1 (*Definitions);*

"**Observation Price Source**" is as defined in Security Condition 17.5(c), in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*), in Formulas Condition 7 (*General Formulas Definitions),* in Formulas Condition 1.1(hh) and in OET Certificate Condition 1 (*Definitions);*

"**Observation Time Period**" is as defined in Formulas Condition 1.1(hh);

"**Observation Time(s)**" is as defined in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*) and in OET Certificate Condition 1 (*Definitions);*

"**Official Settlement Price**" is as defined in Index Security Condition 5.1;

"**Omission**" is as defined in Security Condition 3 (*Definitions);*

"**Open End Certificate**" is as defined in Security Condition 3 (*Definitions);*

"**Option**" is as defined in Formulas Condition 1.1(ll), in Formulas Condition 1.1(mm), 1.1(oo)(i), in Formulas Condition 1.1(oo)(ii), in Formulas Condition 1.1. (oo)(iii), in Formulas Condition 1.1. (oo)(iv), in Formulas Condition 1.1 (tt)(i), in Formulas Condition 1,1(tt)(iii), in Formulas Condition 1.1 (tt) (v), in Formulas Condition 1.1 (tt) (x), in Formulas Condition 1.1 (tt) (xi), in Formulas Condition 1.1 (uu) (v), in Formulas Condition 1.1 (uu) (vi) and in Formulas Condition 1.1(lll);

"**Option 1**" is as defined in Formulas Condition 1.1(nn), in Formulas Condition 1.1(oo)(ii), in Formulas Condition 1.1(oo)(iii), in Formulas Condition 1.1(oo)(vii), in Formulas Condition 1.1(tt) (ii), in Formulas Condition 1.1(tt) (iv) and in Formulas Condition 1.1(uu) (vii);

"**Option 2**" is as defined in Formulas Condition 1.1(nn), in Formulas Condition 1.1(oo)(ii), in Formulas Condition 1.1(oo)(iii), in Formulas Condition 1.1(oo) (vii), in Formulas Condition 1.1(tt) (ii), in Formulas Condition 1.1(tt) (iv) and in Formulas Condition 1.1(uu) (vii);

"**Option 3**" is as defined in Formulas Condition 1.1(uu)(vii);

"**Option Down 1**" is as defined in Formulas Condition 1.1(bbb) and in Formulas Condition 1.1(ccc);

"**Option Down 2**" is as defined in Formulas Condition 1.1(bbb) and in Formulas Condition 1.1(ccc);

"**Option Down**" is as defined in Formulas Condition 1.1 (xx), in Formulas Condition 1.1 (yy), in Formulas Condition 1.1 (zz); in Formulas Condition 1.1 (aaa)

"**Option Up 1**" is as defined in Formulas Condition 1.1(bbb) and in Formulas Condition 1.1(ccc);

"**Option Up 2**" is as defined in Formulas Condition 1.1(bbb) and in Formulas Condition 1.1(ccc);

"**Option Up**" is as defined in Formulas Condition 1.1 (xx), in Formulas Condition 1.1 (yy); in Formulas Condition 1.1 (zz); in Formulas Condition 1.1 (aaa);

"**Option$_n$**" is as defined in Formulas Condition 1.1(uu)(ii), in Formulas Condition 1.1(ddd) and in Formulas Condition 1.1(eee);

"**Option$_j$**" is as defined in Formulas Condition 1.1 (ddd) and in Formulas Condition 1.1(eee);

"**Optional Additional Disruption Event**" is as defined in Security Condition 13.1 *(Definitions)*;

"**Optional Cash Settlement Amount (Call)**" is as defined in Security Condition 17.7 (*Issuer Call Option);*

"**Optional Cash Settlement Amount (Put)**" is as defined in Security Condition 17.8 (*Securityholders Put Option);*

"**Optional Condition Cash Settlement Amount (Call)**" is as defined in Security Condition 17.7 (*Issuer Call Option);*

"**Optional Condition Settlement Date (Call)**" is as defined in Security Condition 3 (*Definitions);*

*"***Optional Condition Settlement Valuation Date (Call)**" is as defined in Security Condition 17.7 (*Issuer Call Option);*

"**Optional Settlement Date (Call)**" is as defined in Security Condition 3 (*Definitions);*

"**Optional Settlement Date (Put)**" is as defined in Security Condition 3 (*Definitions);*

"**Optional Settlement Valuation Date**" is as defined in Security Condition 17.7(a), in Security Condition 17.8(a), in Formulas Condition 3.1(a) in Formulas Condition 3.1(e) and in Formulas Condition 4.1(e);

"**Option**$_j$**"** is as defined in Formulas Condition 1.1 (ddd) and in Formulas Condition 1.1(eee);

"**Options Exchange**" is as defined in Share Security Condition 5.2(d) and in ETI Security Condition 6.2 (a)(ii);

"**Original Assets**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Original Bonds**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Original Currency**" is as defined in Security Condition 15(a) (ii);

"**Original Loans**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Original Non-Standard Reference Obligation**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Outstanding Amount**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Outstanding Bonus Remuneration Rate**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Outstanding Notional Amount**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Outstanding Principal Balance**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Package Observable Bond**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Paid Coupon**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Paid FX Memory Coupons**" is as defined in Formulas Condition 5.1 (p);

"**Parallel Auction Cancellation Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Parallel Auction Final Price Determination Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Parallel Auction Settlement Terms**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Parallel Auction**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Parallel Notice of Physical Settlement Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Parity**" is as defined in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*), and in Formulas Condition 7 (*General Formulas Definitions);*

"**Partial Cash Settlement Amount**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Partial Cash Settlement Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Participating Bidders**" is as defined in the Annex to the Additional Terms and Conditions for Credit Securities - Auction Settlement Terms;

"**Participation Factor 1**" is as defined in Formulas Conditions 1.1(jj) and 1.1(nn);

"**Participation Factor 2**" is as defined in Formulas Conditions 1.1(jj) and 1.1(nn);

"**Participation Factor**" is as defined in Security Condition 17.5(c), in Security Condition 17.7 (*Issuer Call Option),* in Formulas Condition 1.1 (kkk), in Formulas Condition 3.1(e), in Formulas Condition 4.1(e), and in Formulas Condition 7 (*General Formulas Definitions),*

"**Paying Agency Agreement**" is as defined in paragraph 4 of the Terms and Conditions of the Securities;

"**Payment Requirement**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Payment**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Payout Currency**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Payout FX Closing Price Value**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Payout FX Rate Date**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Payout FX Rate Strike Date**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Payout FX Strike Closing Price Value**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Payout FX Value**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Payout Switch**" is as defined in Security Condition 19.1;

"**Performance of Components**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Performance of Underlying 1**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Performance of Underlying 2**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Performance Value**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Permissible Deliverable Obligations**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Permitted Contingency**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Permitted Transfer**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Physical Delivery Certificates**" is as defined in Security Condition 17.3 (*Physical Settlement);*

"**Physical Delivery Confirmation Notice**" is as defined in Security Condition 21.1 (*Physical Delivery Confirmation Notice Requirement);*

"**Physical delivery securities**" is as defined in Security Condition 1.1 (*Type);*

"**Physical Settlement Adjustment Rounding Amount**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Physical Settlement Adjustment**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Physical Settlement Date**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Physical Settlement Matrix**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Physical Settlement Period**" is as defined in Credit Security Condition 13 (*Definitions)*;

"$\mathbf{P_k}$" is as defined in Formulas Condition 8.1(e);

"**Post Dismissal Additional Period**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Postponed Payment Date**" is as defined in Fund Security Condition 5 (*Settlement Date/Automatic Early Settlement Date/Termination Date Extension*);

"**Postponed Settlement Date**" is as defined in Fund Security Condition 5 (*Settlement Date/Automatic Early Settlement Date/Termination Date Extension*);

"**Postponement**" is as defined in Security Condition 3 (*Definitions)*;

"**Potential Adjustment Event Effective Date**" is as defined in Share Security Condition 3 (*Potential Adjustment Event)* and in ETI Security Condition 3 (*Potential Adjustment Event);*

"**Potential Adjustment Event**" is as defined in ETI Security Condition 3 (*Potential Adjustment Event)* and in Share Security Condition 3 (*Potential Adjustment Event);*

"**Potential Cash Settlement Event**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Potential Failure to Pay**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Potential Repudiation/Moratorium**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**PP**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**PRDC Performance**" is as defined in Formulas Condition 5.1 (r);

"**Premium Percentage**" is as defined in Formulas Condition 7 (*Definitions)*;

"**Premium**" is as defined in Formulas Condition 7 (*Definitions)*;

"$\mathbf{P_{reset}}$" is as defined in Formulas Condition 1.1(hh);

"**Price Source Disruption**" is as defined in Currency Security Condition 1 (*Definitions)* and in Commodity Security Condition 1 (*Definitions)*;

"**Price Source**" is as defined in Currency Security Condition 1 (*Definitions)* and Commodity Security Condition 1 (*Definitions)*;

"**Pricing Date**" is as defined in Commodity Security Condition 1 (*Definitions)*;

"**Principal Financial Centre**" is as defined in Security Condition 22 (n);

"**Principal Protected Termination Amount**" is as defined in ETI Security Condition 1 (*Definitions)* and in Fund Security Condition 1 (*Definitions)*;

"**Prior Deliverable Obligation**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Prior Reference Obligation**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Private-side Loan**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Proceedings**" is as defined in Security Condition 12(d);

"**Programme**" is as defined in paragraph 3 of the Terms and Conditions of the Securities;

"**Prohibited Action**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Prospectus Directive**" is as defined in paragraph 2 of the Terms and Conditions of the Securities;

"**Protected Amount**" is as defined in Security Condition 13.1 (*Definitions)*, in Futures Security Condition 1 (*Definitions)*, in Currency Security Condition 1 (*Definitions)*, Currency Security Condition 5 (*Futures Price Valuation)*, Debt Security Condition 11 (*Definitions)*, ETI Security Condition 1 (*Definitions)*, Fund Security Condition 1 (*Definitions)*, Index Security Condition 1 (*Definitions)*, Share Security Condition 1 (*Definitions)*;

"**Protection Factor**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Protection Level**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Public Source**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Publicly Available Information**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Put**" is as defined in Formulas Condition 1.1(ll), in Formulas Condition 1.1(mm), 1.1(oo)(i), in Formulas Condition 1.1. (oo)(iv), in Formulas Condition 1.1. (oo)(v), in Formulas Condition 1.1 (tt)(i), in Formulas Condition 1,1(tt)(iii), in Formulas Condition 1.1 (tt) (x), in Formulas Condition 1.1 (tt) (xi), in Formulas Condition 1.1 (uu) (v) and in Formulas Condition 1.1 (uu) (vi);

"**Put 1**" is as defined in Formulas Condition 1.1(nn), in Formulas Condition 1.1(oo) (ii), in Formulas Condition 1.1(oo) (iii), in Formulas Condition 1.1(oo) (vii), in Formulas Condition 1.1(tt) (ii), in Formulas Condition 1.1(tt) (iv) and in Formulas Condition 1.1(uu) (vii);

"**Put 2**" is as defined in Formulas Condition 1.1(nn), in Formulas Condition 1.1(oo) (ii), in Formulas Condition 1.1(oo) (iii), in Formulas Condition 1.1(oo) (vii), in Formulas Condition 1.1(tt) (ii), in Formulas Condition 1.1(tt) (iv) and in Formulas Condition 1.1(uu) (vii);

"**Put 3**" is as defined in Formulas Condition 1.1(uu)(vii);

"**Put Option Exercise Notice Period**" is as defined in Security Condition 3 (*Definitions)*;

"**Put Option Exercise Notice**" is as defined in Security Condition 17.8(c), and 17.8(d);

"**Put Option**" is as defined in Security Condition 3 (*Definitions)*;

"**Put Payout**" is as defined in Formulas Condition 3.1 (*Securityholder Put Option Payouts Formulas*);

"**Put Spread**" is as defined in Formulas Condition 1.1(ll), in Formulas Condition 1.1(mm), 1.1(oo)(i), in Formulas Condition 1.1. (oo)(iv), in Formulas Condition 1.1. (oo)(v), in Formulas Condition 1.1 (tt)(i), in Formulas Condition 1,1(tt)(iii), in Formulas Condition 1.1 (tt) (x), in Formulas Condition 1.1 (tt) (xi), in Formulas Condition 1.1 (uu) (v) and in Formulas Condition 1.1 (uu) (vi);

"**Put Spread 1**" is as defined in Formulas Condition 1.1(nn), in Formulas Condition 1.1(oo)(ii), in Formulas Condition 1.1(oo)(iii), in Formulas Condition 1.1(oo) (viii), in Formulas Condition 1.1(tt) (ii), in Formulas Condition 1.1(tt) (iv) and in Formulas Condition 1.1(uu) (vii);

"**Put Spread 2**" is as defined in Formulas Condition 1.1(nn), in Formulas Condition 1.1(oo)(ii), in Formulas Condition 1.1(oo)(iii), in Formulas Condition 1.1(oo) (viii), in Formulas Condition 1.1(tt) (ii), in Formulas Condition 1.1(tt) (iv) and in Formulas Condition 1.1(uu) (vii);

"**Put Spread 3**" is as defined in Formulas Condition 1.1(uu)(vii);

"**Put Spread$_{(n)}$**" is as defined in Formulas Condition 1.1 (uu)(ii), in Formulas Condition 1.1 (ddd) and in Formulas Condition 1.1(eee);

"**Put Spread$_{(j)}$**" is as defined in Formulas Condition 1.1 (ddd) and in Formulas Condition 1.1(eee);

"**Put$_{(n)}$**" is as defined in Formulas Condition 1.1 (uu)(ii), in Formulas Condition 1.1 (ddd) and in Formulas Condition 1.1(eee);

"**Put$_{(j)}$"** is as defined in Formulas Condition 1.1 (ddd) and in Formulas Condition 1.1(eee);

"**PW**" is as defined in Formulas Condition 1.1(ggg);

"**Q**" is as defined in Formulas Condition 1.1 (fff) and in Formulas Condition 7 (*General Formulas Definitions);*

"**q**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Qualifying Affiliate Guarantee**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Qualifying Guarantee**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Qualifying Participation Seller**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Quantum of the Claim**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Quotation Amount**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Quotation**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**r**" is as defined in Security Condition 20 (c);

"**Rainbow Value**" is as defined in Formulas Condition 8.1(c);

"**Range 1**" is as defined in Formulas Condition 1.1 (ppp);

"**Range 2**" is as defined in Formulas Condition 1.1 (ppp);

"**Range Accrual Coupon Barrier Level Down 2**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Range Accrual Coupon Barrier Level Down**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Range Accrual Coupon Barrier Level Up 2**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Range Accrual Coupon Barrier Level Up**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Range Accrual Coupon Condition**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Range Accrual Day**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Range Cut-off Date**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Range n^{th}**" is as defined in Formulas Condition 1.1 (ppp);

"**Range Period End Date**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Range Period**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Ranked Value**" is as defined in Formulas Condition 8.1(c);

"**Ranking**" is as defined in Formulas Condition 8.1(c);

"**Rate $1_{(i)}$**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Rate $2_{(i)}$**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Rate Calculation Date**" is as defined in Formulas Condition 8.1(e);

"**Rate Multiplie**r" is as defined in Security Condition 22 (n);

"**Rate Period**" is as defined in Formulas Condition 1.1(hh);

"**Rate**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**$Rate_{(i)}$**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Rate_1**" is as defined in Formulas Condition 5.1 (aa)(iv);

"**Rate_2**" is as defined in Formulas Condition 5.1 (aa)(iv);

"**Rate_n**" is as defined in Formulas Condition 5.1 (aa)(iv);

"**Rebased Index**" is as defined in Inflation Index Security Condition 1 (*Definitions)* and Inflation Index Security Condition 4.5 (*Rebasing);*

"**Recovery Amount**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Recovery Threshold Amount**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Redemption Proceeds**" is as defined in Fund Security Condition 5 (*Settlement Date/Automatic Early Settlement Date/Termination Date Extension*);

"**Reference Banks**" is as defined in Security Condition 22 (n);

"**Reference Dealers**" is as defined in Commmodity Security Condition 1 (*Definitions);*

"**Reference Entity Notional Amount**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Reference Entity Weighting**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Reference Entity**" or "**Reference Entities**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Reference Floating Rate Option Page**" is as defined in Formulas Condition 1.1(hh), in Formulas Condition 8.1(e);

"**Reference Floating Rate Option Time**" is as defined in Formulas Condition 1.1(hh), in Formulas Condition 8.1(e);

"**Reference Floating Rate Option**" is as defined in Formulas Condition 1.1(hh), in Formulas Condition 8.1(e);

"**Reference Floating Rate**" is as defined in Formulas Condition 1.1(hh), in Formulas Condition 8.1(e);

"**Reference Interest Rate**" is as defined in Formulas Condition 1.1(hh);

"**Reference Level**" is as defined in Security Condition 22 (n), in Security Condition 17.5, in Security Condition 17.7 (*Issuer Call Option)*, in Formulas Condition 1.1(kkk), in Formulas Condition 3.1(e), in Formulas Condition 4.1(e), in Inflation Index Security 2.1(b);

"**Reference Level$_0$**" is as defined in Security Condition 22 (n), in Security Condition 17.5, in Security Condition 17.7 (*Issuer Call Option)*, in Formulas Condition 1.1(kkk), in Formulas Condition 3.1(e), in Formulas Condition 4.1(e), in Inflation Index Security 2.1(b);

"**Reference Month**" is as defined in Inflation Index Security Condition 1 (*Definitions)*;

"**Reference Obligation Only Trade**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Reference Obligation Only**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Reference Obligation**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Reference Price**" is as defined in Security Condition 22 (n) and in Debt Security Condition (*Definitions)*;

"**Reference Rate Multiplier**" is as defined in Security Condition 22 (n);

"**Reference Rate**" is as defined in Security Condition 22 (n);

"**Reference Rate Determination Agent**" is as defined in Security Condition 17.5 (d) and in Security Condition 22(m);

"**Reference Rate$_{(t-1)}$**" is as defined in Formulas Condition 3.1(a);

"**Reference Rate$_{t-1}$**" is as defined in Formulas Condition 8.1(e);

"**Regular Period**" is as defined in Security Condition 22(n);

"**Rejection Event**" is as defined in Security Condition 13 (*Definitions*);

"**Related Bond Redemption Event**" is as defined in Inflation Index Security Condition 1 (*Definitions)*;

"**Related Bond**" is as defined in Inflation Index Security Condition 1 (*Definitions)*;

"**Related Exchange**" is as defined in ETI Security Condition 1 (*Definitions)* in Index Security Condition 1 (*Definitions)*, in Share Security Condition 1 (*Definitions)*;

"**Relative Performance Basket**" is as defined in Share Security Condition 1 (*Definitions)*;

"**Relevant Adjustment Provisions**" is as defined in Security Conditions 14.7 (*Definitions relating to Knock-in Event/Knock-out Event*), 17.5 (*Automatic Early Settlement)* and 22(n);

"**Relevant Annex**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Relevant Asset**" is as defined in Security Condition 3 (*Definitions)*;

"**Relevant Authority**" is as defined in Security Condition 13 (*Definitions*);

"**Relevant Automatic Early Settlement Valuation Date**" is as defined in Security Condition 17.6 (*Automatic Early Settlement – Automatic Early Settlement Capitalised Call and Put Securities 1*) and in OET Certificate Condition 1 (*Definitions)*;

"**Relevant Basket**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Relevant Basket$_{(i)}$**"is as defined in Formulas Condition 1.1(rr);

"**Relevant Business Day**" is as defined in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1*

and Put Payout Capitalised Call and Put Securities), in Formulas Condition 1.1(hh) and in OET Certificate Condition 1 (*Definitions)*;

"**Relevant City Business Day**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Relevant Currency**" is as defined in Security Condition 4.7 (vi);

"**Relevant Determination Time**" is as defined in Security Condition 22(n);

"**Relevant Event**" is as defined in ETI Security Condition 4.20, Fund Security Condition 2.28,

"**Relevant Financial Centre**" is as defined in Security Condition 22(n)

"**Relevant Guarantee**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Relevant Holder**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Relevant Level**" is as defined in Inflation Index Security Condition 1 (*Definitions)*, in Formulas Condition 7 (*General Formulas Definitions);*

"**Relevant Obligations**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Relevant Observation Time Period**" is as defined in Formulas Condition 1.1(hh);

"**Relevant Period"** is as defined in Share Security Condition 5.1;

"**Relevant Price**" is as defined in Commodity Security Condition 1 (*Definitions);*

"**Relevant Rate Screen Page**" is as defined in Security Condition 22(n);

"**Relevant Valuation Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Remuneration Amount**" is as defined in Security Condition 22(n);

"**Remuneration Barrier Event**" is as defined in Security Condition 22(n);

"**Remuneration Barrier Level**" is as defined in Security Condition 22(n);

"**Remuneration Barrier Observation Date**" is as defined in Security Condition 22(n);

"**Remuneration Barrier Observation Period**" is as defined in Security Condition 22(n);

"**Remuneration Commencement Date"** is as defined in Security Condition 22(n);

"**Remuneration Commencement**" is as defined in Security Condition 22(n);

"**Remuneration Determination Date**" is as defined in Security Condition 22 (b)(iv), in Security Condition 22 (c) (iii) and in Security Condition 22(n);

"**Remuneration Observation Date**" is as defined in Formulas Condition 5.1 (aa)(iv);

"**Remuneration Payment Condition Level**" is as defined in Security Condition 22(n);

"**Remuneration Payment Condition Observation Date**" is as defined in Security Condition 22(n);

"**Remuneration Payment Condition Observation Period**" is as defined in Security Condition 22(n);

"**Remuneration Payment Condition**" is as defined in Security Condition 22(n);

"**Remuneration Payment Date(s)** " is as defined in Security Condition 22(n);

"**Remuneration Period**" is as defined in Security Condition 22 (n);

"**Remuneration Range 1**" is as defined in Formulas Condition 5.1 (aa)(iv);

"**Remuneration Range 2**" is as defined in Formulas Condition 5.1 (aa)(iv);

"**Remuneration Range nth**" is as defined in Formulas Condition 5.1 (aa)(iv);

"**Remuneration Rate**" is as defined in Security Condition 22 (n);

"**Remuneration Shortfall Amount**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Remuneration Shortfall Payment Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Remuneration Valuation Date(s)**" is as defined in Security Condition 3 (*Definitions*)*;*

"**Replaced Deliverable Obligation Outstanding Amount**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Replacement AES Reference Rate**" is as defined in Security Condition 17.5 (d);

"**Replacement Deliverable Obligation**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Replacement Reference Entity**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Replacement Reference Rate**" is as defined in Credit Security Condition 22(m)*;*

"**Replacement Underlying Reference Rate**" is as defined in Underlying Interest Rate Security Condition 3 (*Screen Rate Determination);*

"**Replicating CDS**" is as defined in Security Condition 6.2 (*Specific Buy Back Provisions);*

"**Representative Amount**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Repudiation/Moratorium Evaluation Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Repudiation/Moratorium**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Reset Date**" is as defined in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*), in OET Certificate Condition 1 (*Definitions)* and in Underlying Interest Rate Security Condition 2 (*ISDA Determination*);

"**Reset Event Determination Time**" is as defined in Formulas Condition 1.1(hh);

"**Reset Event**" is as defined in Formulas Condition 1.1(hh);

"**Reset Price**" is as defined in Formulas Condition 1.1(hh);

"**Reset Threshold Percentage**" is as defined in Formulas Condition 1.1(hh);

"**Reset Threshold**" is as defined in Formulas Condition 1.1(hh);

"**Resettable Knock-in Period**" is as defined in Currency Security Condition 1 (*Definitions)*;

"**Resettable Knock-out Period**" is as defined in Currency Security Condition 1 (*Definitions)*;

"**Resettable Period**" is as defined in Currency Security Condition 1 (*Definitions)*;

"**Resolve**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Resolved**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Resolves**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Restructured Bond or Loan**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Restructuring Date**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Restructuring Maturity Limitation Date**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Restructuring**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Reverse Capped Securities Percentage 1**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Reverse Capped Securities Percentage 2**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Reverse Capped Securities Percentage 3**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Reverse Capped Securities Percentage 4**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Reverse Capped Securities Percentage 5**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Reverse Level**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Reverse Percentage**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Revised Currency Rate**" is as defined in Credit Security Condition 13 (*Definitions);*

"**rm**" is as defined in Formulas Condition 1.1(hh);

"**Rollover Costs$_t$**" is as defined in Formulas Condition 1.1(hh);

"**Rollover Costs$_{t-1}$**" is as defined in Formulas Condition 1.1(hh);

"**Rollover Ratio$_{(0)}$**" is as defined in Formulas Condition 3.1(a);

"**Rollover Ratio$_{(t)}$**" is as defined in Formulas Condition 3.1(a);

"**Rules**" is as defined in Credit Security Condition 13 (*Definitions);*

"**S&P**" is as defined in ETI Security Condition 4.25 and in Fund Security Condition 2.38;

"**S**" is as defined in Security Condition 20 (c);

"**Scheduled Averaging Date**" is as defined in Security Condition 3 (*Definitions*) under the definition of Averaging Date;

"**Scheduled Closing Time**" is as defined in Security Condition 3 (*Definitions);*

"**Scheduled Dividend**" is as defined in Share Security Condition 4 (*Dividend Event)*;

"**Scheduled Ex-Date**" is as defined in Share Security Condition 4 (*Dividend Event);*

"**Scheduled Remuneration Pricing Date**" is as defined in Commodity Security Condition 1 (*Definitions);*

"**Scheduled Pricing Date**" is as defined in Commodity Security Condition 1 (*Definitions);*

"**Scheduled Settlement Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Scheduled Trading Day (All ETI Interest Basis)**" is as defined in ETI Security Condition 1 (*Definitions)*;

"**Scheduled Trading Day (All Futures Basis)**" is as defined in Futures Security Condition 1 (*Definitions);*

"**Scheduled Trading Day (All Indices Basis)**" is as defined in Index Security Condition 1 (*Definitions);*

"Scheduled Trading Day (All Shares Basis)" is as defined in Share Security Condition 1 (*Definitions);*

"**Scheduled Trading Day (Per ETI Interest Basis)**" is as defined in ETI Security Condition 1 (*Definitions);*

"**Scheduled Trading Day (Per Future Basis)**" is as defined in Futures Security Condition 1 (*Definitions);*

"**Scheduled Trading Day (Per Index Basis)**" is as defined in Index Security Condition 1 (*Definitions);*

"**Scheduled Trading Day (Per Share Basis)**" is as defined in Share Security Condition 1 (*Definitions);*

"**Scheduled Trading Day (Single ETI Interest Basis)**" is as defined in ETI Security Condition 1 (*Definitions);*

"**Scheduled Trading Day (Single Future Basis)**" is as defined in Futures Security Condition 1 (*Definitions);*

"**Scheduled Trading Day (Single Index Basis)**" is as defined in Index Security Condition 1 (*Definitions);*

"**Scheduled Trading Day (Single Share Basis)**" is as defined in Share Security Condition 1 (*Definitions);*

"**Scheduled Trading Day"** is as defined in Index Security Condition 1 (*Definitions),* in Share Security Condition 1 (*Definitions*), in ETI Security Condition 1 *(Definitions*), in Commodity Security Condition 1 (*Definitions*), in Currency Security Condition 1 (*Definitions),* in Futures Security Condition 1 (*Definitions*), in Fund Security Condition 1 (*Definitions)* and in Debt Security Condition 11 *(Definitions*);

"**Scheduled Valuation Date**" is as defined in Security Condition 3 (*Definitions);*

"**Screen Determined Rate**" is as defined in Security Condition 22 (d) (ii);

"**Screen Page AES Rate**" is as defined in Security Condition 17.5 (d);

"**Screen Page Reference Rate(s)**" is as defined in Security Condition 22 (d) (ii);

"**Screen Page Underlying Reference Rate**" is as defined in Underlying Interest Rate Security Condition 3 (*Screen Rate Determination);*

"**Second Obligation**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Second Settlement Currency**" is as defined in Security Condition 3 (*Definitions*);

"**Securities**" is as defined in paragraph 3 of the Terms and Conditions of the Securities,

"**Security and Securities**" is as defined in paragraph 9 of the Terms and Conditions of the Securities;

"**Security Conditions**" is as defined in paragraph 1 of Annex 1 (*Additional Terms and Conditions relating to Formulas)*

"**Security Percentage**" is as defined in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*) and in OET Certificate Condition 1 (*Definitions);*

"**Security Threshold**" is as defined in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*) and in OET Certificate Condition 1 (*Definitions);*

"**Security**" is as defined in paragraph 9 of the Terms and Conditions of the Securities;

"**Securities Act**" is as defined in Security Condition 3 (*Definitions*);

"**Securityholder**" is as defined in Security Condition 1.2 (*Title to Securities);*

"**SeDeX**" is as defined in Security Condition 3 (*Definitions*), in Formulas Condition 1.1(hh), in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities);*

"**Senior Obligation**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Senior Transaction**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Seniority Level**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Series**" is as defined in paragraph 6 of the Terms and Conditions of the Securities;

"**Settled Amount**" is as defined in Share Security Condition 5.2(b);

"**Settlement Business Day**" is as defined in Security Condition 3 (*Definitions);*

"**Settlement Currency Barrier Condition**" is as defined in Security Condition 3 (*Definitions);*

"**Settlement Currency**" is as defined in Formulas Condition 1.1(hh), in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*), in OET Certificate Condition 1 (*Definitions),* and in Credit Security Condition 13 (*Definitions);*

"**Settlement Cycle**" is as defined in Index Security Condition 1 (*Definitions),* in Debt Security Condition 11 (*Definitions),* in Futures Security Condition 1 (*Definitions),* in Currency Security Condition 5 (*Futures Price Valuation),* in Share Security Condition 1 (*Definitions),* and in ETI Security Condition 1 (*Definitions)*;

"**Settlement Date**" is as defined in Security Condition 3 (*Definitions);*

"**Settlement Disruption Amount**" is as defined in Security Condition 4.1 (*Settlement Disruption)*;

"**Settlement Disruption Event**" is as defined in Security Condition 4.1 (*Settlement Disruption)*;

"**Settlement Method**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Settlement Payout**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Settlement Preliminary Amount**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Settlement Premium**" is as defined in Formulas Condition 1.1(w), and in Formulas Condition 1.1(x);

"**Settlement Price Date**" is as defined in Currency Security Condition 1 (*Definitions),* in Fund Security Condition 1 (*Definitions),* in Index Security Condition 1 (*Definitions),* in Share Security Condition 1 (*Definitions);*

"**Settlement Price Final**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Settlement Price**" is as defined in Formulas Condition 1.1(hh), in Index Security Conditions 1 (*Definitions)* and 5.1, in Share Security Condition 1 (*Definitions),* in ETI Security Condition 1 (*Definitions),* in Debt Security Condition 1 (*Settlement Price)* and Debt Security Condition 6 (*Futures Price Valuation),* in Commodity Security Condition 1 (*Definitions),* in Inflation Index Security Condition 1 (*Definitions),* in Currency Security Condition 4 *(Settlement Price)* and Currency Security Condition 5 (*Futures Price Valuation),* in Fund Security Condition 1 (*Definitions) and* in Futures Security Condition 1 *(Definitions),* and in Futures Security Condition 1 (*Definitions*);

"**Settlement Residual Amount**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Settlement Valuation Date**" is as defined in Security Condition 3 (*Definitions*)*;*

"**SFP Automatic Early Settlement Payouts**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**SFP Call Payouts**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**SFP Final Payout**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**SFP Payouts**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**SFP Put Payouts**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Share Company**" is as defined in Share Security Condition 1 (*Definitions);*

"**Share Correction Period**" is as defined in Share Security Condition (*Definitions);*

"**Share Event**" is as defined in Share Security Condition 11 (*Share Event);*

"**Share Securities**" is as defined in Security Condition 1.1 (*Type)*;

"**Share**" is as defined in Share Security Condition 1 (*Definitions)*, in Share Security Condition 5.2(c) and in Fund Security Condition 1 (*Definitions);*

"**Shares**" is as defined in Share Security Condition 1 (*Definitions)*

"**Significant Alteration Event**" is as defined in Security Condition 13.1(*Definitions);*

"**Simple Interest**" is as defined in ETI Security Condition 1 (*Definitions)*, in Fund Security Condition 1 (*Definitions);*

"**Single Final Payout - Leverage Factor Securities**" is as defined in Formulas Condition 1.1(hh);

"**Single Reference Entity Credit Security**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Snowball Barrier Value**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Snowball Level**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Solvency Capital Provisions**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Sovereign No Asset Package Delivery Supplement**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Sovereign Restructured Deliverable Obligation**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Sovereign Succession Event**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Sovereign**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Specified Currency**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Specified Duration**" is as defined in Security Condition 22(n);

"**Specified Maximum Days of Disruption**" is as defined in Security Condition 3 (*Definitions)*, ETI Security Condition 1 (*Definitions)*, in Commodity Security Condition 1 (*Definitions)*, in Currency Security Condition 1 (*Definitions)*;

"**Specified Number**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Specified Price**" is as defined in Commodity Security Condition 1 (*Definitions);*

"**Speed Factor**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Spread Percentage**" is as defined in Formulas Condition 1.1(ll), in Formulas Condition 1.1(mm), 1.1(oo)(i) and in Formulas Condition 1.1. (oo)(iv);

"**Spread**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Spread Percentage 1**" is as defined in Formulas Condition 1.1(nn), in Formulas Condition 1.1(oo)(ii), in Formulas Condition 1.1(oo)(iii), in Formulas Condition 1.1(oo) (vii), in Formulas Condition 1.1(tt) (ii) and in Formulas Condition 1.1(tt) (iv);

"**Spread Percentage 2**" is as defined in Formulas Condition 1.1(nn), in Formulas Condition 1.1(oo)(ii), in Formulas Condition 1.1(oo)(iii), in Formulas Condition 1.1(oo) (vii), in Formulas Condition 1.1(tt) (ii) and in Formulas Condition 1.1(tt) (iv);

"**Spread Percentage$_{(j)}$**" is as defined in Formulas Condition 1.1 (ddd) and in Formulas Condition 1.1(eee);

"**Spread Percentage$_{(n)}$**" is as defined in Formulas Condition 1.1 (uu)(ii), in Formulas Condition 1.1 (ddd) and in Formulas Condition 1.1(eee);

"**Spread$_{(i)}$**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**SRM Regulation**" is as defined in Security Condition 13 (*Definitions);*

"**SRO List**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Standard Collared Asian Call Local Cap**" is as defined in Formulas Condition 1.1(qq)(i) and 1.1(qq) (ii);

"**Standard Collared Asian Put Local Cap**" is as defined in Formulas Condition 1.1(qq)(i) and 1.1(qq)(ii);

"**Standard Reference Obligation**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Standard Specified Currencies**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Steps Plan**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Stop-Loss Event**" is as defined in Security Condition 13 (*Definitions)*;

"**Strategy Business Day Centre(s)**" is as defined in Formulas Condition 8.1(e);

"**Strategy Business Day**" is as defined in Formulas Condition 8.1(e);

"**Strike Date**" is as defined in Security Condition 3 (*Definitions),* in Inflation Index Security Conditions 1 (*Definitions),* in Currency Security Condition 1 (*Definitions)* and in Fund Security Condition 1 (*Definitions)*;

"**Strike Day**" is as defined in Security Condition 3 (*Definitions),* in Currency Security Condition 1 (*Definitions)* and in Fund Security Condition 1 (*Definitions)*;

"**Strike Level**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Strike Percentage**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Strike Percentage 1**" is as defined in Formulas Condition 1.1(nn), in Formulas Condition 1.1(oo)(ii), in Formulas Condition 1.1(oo)(iii), in Formulas Condition 1.1(oo) (vii), in Formulas Condition 1.1(tt) (ii) and in Formulas Condition 1.1(tt) (iv);

"**Strike Percentage 2**" is as defined in Formulas Condition 1.1(nn), in Formulas Condition 1.1(oo)(ii), in Formulas Condition 1.1(oo)(iii), in Formulas Condition 1.1(oo) (vii), in Formulas Condition 1.1(tt) (ii) and in Formulas Condition 1.1(tt) (iv);

"**Strike Percentage$_{(i)}$**" is as defined in Formulas Condition 1.1 (qq)(i) and 1.1(qq)(ii) and in Formulas Condition 1.1(rr);

"**Strike Percentage$_{(j)}$**" is as defined in Formulas Condition 1.1 (ddd), in Formulas Condition 1.1 (eee);

"**Strike Percentage$_{(n)}$**" is as defined in Formulas Condition 1.1(uu)(ii), in Formulas Condition 1.1(ddd) and 1.1(eee);

"**Strike Period**" is as defined in Security Condition 3 (*Definitions)*, in Currency Security Condition 1 (*Definitions)*; in Fund Security Condition 1 (*Definitions);*

"**Strike Price**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Subordinated Obligation**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Subordinated Transaction**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Subordination**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Substitute Asset**" is as defined in Security Condition 4.5 (*Issuer's Option to Substitute Assets or to pay the Alternate Cash Amount);*

"**Substitute Commodity Reference Price**" is as defined in Commodity Security Condition 3 (b);

"**Substitute Commodity**" is as defined in Commodity Security Condition 3 (b);

"**Substitute ETI Interest**" is as defined in ETI Security Condition 6.2(b);

"**Substitute Exchange-traded Contract**" is as defined in Currency Security Condition 8(b) and in Debt Security Condition 9(b);

"**Substitute Index Component**" is as defined in Commodity Security Condition 3 (b);

"**Substitute Inflation Index Level**" is as defined in Inflation Index Security Conditions 1 (*Definitions)* and Inflation Index Security Condition 2.1 (*Delay in Publication*)*;*

"**Substitute Inflation**" is as defined in Inflation Index Security Conditions 2.1;

"**Substitute Reference Obligation Resolution Request Date**" is as defined in Credit Security Condition 13 (*Definitions).*

"**Substitute Reference Obligation**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Substitute Share**" is as defined in Security Condition 13.2(c) and Share Security Condition 5.2(e);

"**Substitute**" is as defined in Security Condition 11.1 (a);

"**Substitution Date**" is as defined in Security Condition 13.2, in Credit Security Condition 13 (*Definitions)*, in Commodity Security Condition 3(b), Share Security Condition 5.2(e), ETI Security Condition 6.2(b);

"**Substitution Event Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Substitution Event**" is as defined in Credit Security Condition 13 (*Definitions);*

"S**ubstitution**" is as defined in ETI Security Condition 6.2(b) and in Fund Security Condition 4.2(b);

"**succeed**" is as defined in Credit Security Condition 13 (*Definitions);*

"succeeded" is as defined in Credit Security Condition 13 (*Definitions);*

"**Succession Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**succession**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Successor Backstop Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Successor Commodity Index**" is as defined in Commodity Security Condition 4(a);

"**Successor Index Sponsor**" is as defined in Commodity Security Condition 4(a) and in Index Security Condition 3.1 (*Successor Index Sponsor Calculates and Reports an Index);*

"**Successor Index**" is as defined in Index Security Condition 3.1 (*Successor Index Sponsor Calculates and Reports an Index);*

"**Successor Inflation Index**" is as defined in Inflation Index Security Conditions 1 (*Definitions)* and Inflation Index Security Condition 3 (*Successor Inflation Index);*

"**Successor Provisions**" is as defined in Credit Security Condition 12(c);

"**Successor Resolution Request Date**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Successor**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Surviving Reference Entity**" is as defined in Credit Security Condition 9 (c)(ii) and Credit Security Condition 13 (*Definitions);*

"**Suspension/Withdrawal Event**" is as defined in Security Condition 13 (*Definitions)*;

"**T**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**t**" is as defined in Formulas Condition 8.1(e);

"**Target Coupon Percentage**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Target Determination Date**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Target Final Remuneration Period**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**TARGET Settlement Day**" is as defined in Security Condition 22 (n) and in Credit Security Condition 13 (*Definitions)*;

"**TARGET2 Settlement Day**" is as defined in Security Condition 3 (*Definitions);*

"**TARGET System**" is as defined in Security Condition 22 (n);

"**Target Volatility**" is as defined in Formulas Condition 8.1(e);

"**TARGET2 System**" is as defined in Security Condition 3 (*Definitions)*;

"**Tax Disruption**" is as defined in Commodity Security Condition 1 (*Definitions)*;

"**Tax Event**" is as defined in ETI Security Condition 4.18 and in Fund Security Condition 2.26;

"**Tender Offer**" is as defined in ETI Security Condition 1 (*Definitions)*, in Share Security Condition 5.1 and in Fund Security Condition 1 (*Definitions)*;

"**Termination Amount**" is as defined in ETI Security Condition 1 (*Definitions)* and in Fund Security Condition 1 (*Definitions)*;

"**Termination Date**" is as defined in ETI Security Condition 1 (*Definitions)* and in Fund Security Condition 1 (*Definitions)*;

"**Termination**" is as defined in ETI Security Condition 6.2(c) and Fund Security Condition 4.2(c);

"**Tolerance**" is as defined in Formulas Condition 8.1(e);

"**Trade Date**" is as defined in Security Condition 13.1 (*Definitions)*, in Fund Security Condition 1 (*Definitions)*, in Credit Security Condition 13 (*Definitions)*, in ETI Security Condition 1 (*Definitions)*;

"**Trading Disruption**" is as defined in Index Security Condition 1 (*Definitions*) and in Share Security Condition 1 (*Definitions)*, ETI Security Condition 1 (*Definitions*), Commodity Security Condition 1 (*Definitions*) and Futures Security Condition 1 (*Definitions*);

"**Tranche Size**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Tranche**" is as defined in paragraph 6 of the Terms and Conditions of the Securities;

"**Tranched Credit Securities**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Transaction Auction Settlement Terms**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Transaction Type**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Transferable**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Treaty**" is as defined in Security Condition 15 (b);

"**Trigger Percentage**" is as defined in Credit Security Condition 10 (b)(iii);

"$\mathbf{U_{(t)}}$" is as defined in Formulas Condition 1.1(hh);

"$\mathbf{U_{(t-1)}}$" is as defined in Formulas Condition 1.1(hh);

"**U.S. Volcker Rule**" is as defined in Fund Security Condition 2.31;

"**Undeliverable Obligation**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Underlying Finance Instrument**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Underlying Interest Determination Date**" is as defined in Underlying Interest Rate Security Condition 4 (*Determination of Underlying Interest Rate);*

"**Underlying Interest Rate Securities**" is as defined in Security Condition 1.1 (*Type);*

"**Underlying ISDA Rate**" is as defined in Underlying Interest Rate Security Condition 2 (*ISDA Determination*);

"**Underlying Loan**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Underlying Obligation**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Underlying Obligor**" is as defined in Credit Security Condition 13 (*Definitions)*;

"**Underlying Price**$_{(t)}$" is as defined in Formulas Condition 1.1(hh);

"**Underlying Price**$_{(t-1)}$" is as defined in Formulas Condition 1.1(hh);

"**Underlying Reference 1"** is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Underlying Reference 2"** is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Underlying Reference Closing Price Value**" is as defined in Formulas Condition 6.1 (c) and 8.1(a);

"**Underlying Reference Closing Price Value$_{(k,i)}$**" is as defined in Formulas Condition 6.1 (d);

"Underlying Reference Closing Price Value Percentage" is as defined in Formulas Condition 8.1(a);

"**Underlying Reference Closing Value**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Underlying Reference EndDay Closing Price Value**" is as defined in Formulas Condition 8.1(b);

"**Underlying Reference FX Level**" is as defined in Formulas Condition 8.1(a);

"**Underlying Reference FX Strike Level**" is as defined in Formulas Condition 8.1(a);

"**Underlying Reference Initial**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Underlying Reference Intraday Performance**" is as defined in Formulas Condition 8.1(b):

"**Underlying Reference Intraday Performance Percentage** " is as defined in Formulas Condition 8.1(b):

"**Underlying Reference Intraday Price Value**" is as defined in Formulas Condition 8.1(b):

"**Underlying Reference Intraday Value**" is as defined in Formulas Condition 8.1(b);

*"***Underlying Reference Level 1**" is as defined in Security Condition 17.5(c);

"**Underlying Reference Level 2**" is as defined in Security Condition 17.5(c);

"**Underlying Reference Level**" is as defined in Security Condition 17.5(c) and in Formulas Condition 7 (*General Formulas Definitions);*

"**Underlying Reference Performance**" is as defined in Formulas Condition 8.1(b);

"**Underlying Reference Performance Percentage**" is as defined in Formulas Condition 8.1(b);

"**Underlying Reference Rate Determination Agent**" is as defined in Underlying Interest Rate Security Condition 3 (*Screen Rate Determination);*

"**Underlying Reference Restrike Performance**" is as defined in Formulas Condition 8.1(b);

"**Underlying Reference Restrike Performance Percentage**" is as defined in Formulas Condition 8.1(b);

"**Underlying Reference Extended Restrike Value**" is as defined in Formulas Condition 8.1(b);

"**Underlying Reference Extended Intraday Restrike Value**" is as defined in Formulas Condition 8.1(b);

"**Underlying Reference Intraday Restrike Value**" is as defined in Formulas Condition 8.1(b);

"**Underlying Reference Restrike Value**" is as defined in Formulas Condition 8.1(b);

"**Underlying Reference StartDay Closing Price Value**" is as defined in Formulas Condition 8.1(b);

"**Underlying Reference Strike Price**" is as defined in Formulas Condition 8.1(a);

"**Underlying Reference TOM Restrike Value**" is as defined in Formulas Condition 8.1(b);

"**Underlying Reference TOM Value**" is as defined in Formulas Condition 8.1(b);

"**Underlying Reference Valuation Date**" is as defined in Formulas Condition 8.1(e);

"**Underlying Reference Value Percentage**" is as defined in Formulas Condition 8.1(b);

"**Underlying Reference Value**" is as defined in Formulas Condition 8.1(b);

"**Underlying Reference Volatility Hedged Value**" is as defined in Formulas Condition 8.1(d);

"**Underlying Reference Volatility Hedged Value$_0$**" is as defined in Formulas Condition 8.1(e);

"**Underlying Reference Volatility Hedged Value$_{t-1}$**" is as defined in Formulas Condition 8.1(e);

"**Underlying Reference Weighting**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Underlying Reference**" is as defined in OET Certificate Condition 1 (*Definitions*), Security Conditions 14.7 (*Definitions relating to Knock-in Event/Knock-out Event),* Security Condition 17.5 (*Automatic Early Settlement*), Security Condition 17.7 (*Issuer Call Option),* Formulas Condition 7 *(General Formulas Definitions*) Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*);

"**Underlying Share**" is as defined in Security Condition 1.1 (*Type);*

"**Underlying Shares**" is as defined in Share Security Condition 9 (*Definitions relating to GDR/ADR*);

"**Underlying Transactions**" is as defined in Security Condition 6.2 (*Specific Buy Back Provisions*);

"**Universal Successor**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Unsettled Credit Event**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Unsettled Retention Amount**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Unwinding Time Period**" is as defined in Formulas Condition 1.1(hh);

"**Up Call Spread**" is as defined in Formulas Condition 1.1 (xx), in Formulas Condition 1.1 (yy), in Formulas Condition 1.1 (zz), in Formulas Condition 1.1 (aaa), in Formulas Condition 1.1(bbb) and in Formulas Condition 1.1(ccc);

"**Up Call**" is as defined in Formulas Condition 1.1 (xx), in Formulas Condition 1.1 (yy), in Formulas Condition 1.1 (zz), in Formulas Condition 1.1 (aaa), in Formulas Condition 1.1(bbb) and in Formulas Condition 1.1(ccc);

"**Up Cap Percentage**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Up Final Settlement Value**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Up Floor Percentage**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Up Forward**" is as defined in Formulas Condition 1.1 (xx), in Formulas Condition 1.1 (yy), in Formulas Condition 1.1 (zz), in Formulas Condition 1.1 (aaa), in Formulas Condition 1.1(bbb) and in Formulas Condition 1.1(ccc);

"**Up Put Spread**" is as defined in Formulas Condition 1.1 (xx), in Formulas Condition 1.1 (yy), in Formulas Condition 1.1 (zz), in Formulas Condition 1.1 (aaa), in Formulas Condition 1.1(bbb) and in Formulas Condition 1.1(ccc);

"**Up Put**" is as defined in Formulas Condition 1.1 (xx), in Formulas Condition 1.1 (yy), in Formulas Condition 1.1 (zz), in Formulas Condition 1.1 (aaa), in Formulas Condition 1.1(bbb) and in Formulas Condition 1.1(ccc);

"**Up Strike Percentage**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Upper Level**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Upside Participation Factor**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"$\mathbf{UR_{(0)}}$" is as defined in Formulas Condition 3.1(a);

"$\mathbf{UR_{(t)}}$" is as defined in Formulas Condition 1.1(s) and in Formulas Condition 3.1(a);

"$\mathbf{UR_{(t0)}}$" is as defined in Formulas Condition 1.1(s);

"$\mathbf{UR_{(t-1)}}$" is as defined in Formulas Condition 3.1(a);

"$\mathbf{UR_{(ti-1)}}$" is as defined in Formulas Condition 1.1(s);

"**Valid Date**" is as defined in Security Condition 3 (*Definitions)* and in Currency Security Condition 1 (*Definitions);*

"**Valuation Date**" is as defined in Security Condition 3 (*Definitions),* in Formulas Condition 1.1(hh), in Formulas Condition 1.2 (*Additional definitions for Single Final Payout - Capitalised Call and Put Securities, Automatic Early Settlement Capitalised Call and Put Securities 1 and Put Payout Capitalised Call and Put Securities*), in Inflation Index Security Conditions 1 (*Definitions),* in Credit Security Condition 13 (*Definitions),* in Currency Security Condition 1 (*Definitions)* in Fund Security Condition 1 (*Definitions),* in OET Certificate Condition 1 (*Definitions);*

"**Valuation Obligation**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Valuation Obligations Portfolio**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Valuation Time**" is as defined in Security Condition 3 (*Definitions),* in Credit Security Condition 13 (*Definitions),* in Currency Security Condition 1 (*Definitions)***,** in ETI Security Condition 1 (*Definitions);*

"**Value Business Day**" is as defined in ETI Security Condition 1 (*Definitions);*

"**Value per ETI Interest Trading Price Barrier**" is as defined in ETI Security Condition 1 (*Definitions);*

"**Value per ETI Interest Trading Price Differential**" is as defined in ETI Security Condition 1 (*Definitions)*;

"**Value per ETI Interest Trigger Event**" is as defined in ETI Security Condition 1 (*Definitions)*;

"**Value per ETI Interest**" is as defined in ETI Security Condition 1 (*Definitions)*;

"**Value Trigger Percentage**" is as defined in ETI Security Condition 1 (*Definitions)*;

"**Value Trigger Period**" is as defined in ETI Security Condition 1 (*Definitions)*;

"**Vanilla Call Rate**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Vanilla Call Spread Rate**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"**Voting Shares**" is as defined in Credit Security Condition 13 (*Definitions);*

"VWA Closing Price" is as defined in Share Security Condition 1 (*Definitions)* under the definition of Closing Price;

"**VWA Settlement Price**" is as defined in Share Security Condition 1 (*Definitions)* under the definition of Settlement Price;

"$\mathbf{W_{(n)}}$" is as defined in Formulas Condition 1.1(uu)(ii);

"$\mathbf{W\ Target_0}$" is as defined in Formulas Condition 8.1(e);

"**W**" is as defined in Formulas Condition 7 (*General Formulas Definitions);*

"$\mathbf{W_{(i)}}$" is as defined in Formulas Condition 1.1 (qq) (i) and 1.1 (qq)(ii) and in Formulas Condition 1.1(rr);

"$\mathbf{W^*_1 = W_1 = W_0}$" is as defined in Formulas Condition 8.1(e);

"$\mathbf{W^*_{t+1}}$" is as defined in Formulas Condition 8.1(e);

"$\mathbf{W^*_{t+2}}$" is as defined in Formulas Condition 8.1(e);

"**W_0**" is as defined in Formulas Condition 8.1(e);

"**Weighted Average Basket Value**" is as defined in Formulas Condition 8.5(b);

"**Weighted Average Best Value**" is as defined in Formulas Condition 8.5(b);

"**Weighted Average Final Price**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Weighted Average Quotation**" is as defined in Credit Security Condition 13 (*Definitions);*

"**Weighted Average Rainbow Value**" is as defined in Formulas Condition 8.5(b);

"**Weighted Average Underlying Reference Value**" is as defined in Formulas Condition 8.5(a);

"**Weighted Average Worst Value**" is as defined in Formulas Condition 8.5(b);

"Weighting" is as defined Security Condition 3 (*Definitions);*

"**Worst Greatest Value**" is as defined in Formulas Condition 8.2(b);

"**Worst Intraday Value**" is as defined in Formulas Condition 8.1(c);

"**Worst Performing Underlying Reference Closing Price Value$_{(i)}$**" is as defined in Formulas Condition 6.1 (a);

"**Worst Value**" is as defined in Formulas Condition 8.1(c);

"**Writedown Amount**" is as defined in Credit Security Condition 13 (*Definitions);*

"**W_t**" is as defined in Formulas Condition 8.1(e);

"**W_{t+1}**" is as defined in Formulas Condition 8.1(e);

"**W_{t-1}**" is as defined in Formulas Condition 8.1(e);

"**W_{t-1}^{Target}**" is as defined in Formulas Condition 8.1(e);

"**W_t^{Target}**" is as defined in Formulas Condition 8.1(e);

"**Y1**" is as defined in Security Condition 22 (n);

"**Y2**" is as defined in Security Condition 22 (n);

"**YoY Inflation Rate**" is as defined in Formulas Condition 7 (*General Formulas Definitions).*

PROVISIONS RELATING TO THE SECURITIES WHILE IN GLOBAL FORM

Clearing System Accountholders

Each Global Security will be in bearer form. Consequently, in relation to any Tranche of Securities represented by a Global Security, references in the Terms and Conditions of the Securities to "**Securityholder**" are references to the bearer of the relevant Global Security which, for so long as the Global Security is held by a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that common depositary.

Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Global Security (each an "**Accountholder**") must look solely to Euroclear and/or Clearstream, Luxembourg and/or such other relevant clearing system (as the case may be) for such Accountholder's share of each payment made by the relevant Issuer to the bearer of such Global Security and in relation to all other rights arising under the Global Security. The extent to which, and the manner in which, Accountholders may exercise any rights arising under the Global Security will be determined by the respective rules and procedures of Euroclear and Clearstream, Luxembourg and any other relevant clearing system from time to time. For so long as the relevant Securities are represented by the Global Security, Accountholders shall have no claim directly against the relevant Issuer in respect of payments due under the Securities and such obligations of the relevant Issuer will be discharged by payment to the bearer of the Global Security.

Exchange of Temporary Global Securities

Whenever any interest in a Temporary Global Security is to be exchanged for an interest in a Permanent Global Security, the relevant Issuer shall procure:

(a) in the case of first exchange, the prompt delivery (free of charge to the bearer) of such Permanent Global Security, duly authenticated to the bearer of the Temporary Global Security; or

(b) in the case of any subsequent exchange, an increase in the number of Securities represented by such Permanent Global Security, where applicable, in accordance with its terms,

as specified in the certificates issued by Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and received by the Fiscal Agent against presentation and (in the case of final exchange) surrender of the Temporary Global Security to or to the order of the Fiscal Agent within 7 days of the bearer requesting such exchange.

Whenever a Temporary Global Security is to be exchanged for Definitive Securities, the relevant Issuer shall procure the prompt delivery (free of charge to the bearer) of the relevant number of Definitive Securities, duly authenticated, to the bearer of the Temporary Global Security against the surrender of the Temporary Global Security to or to the order of the Fiscal Agent within 45 days of the bearer requesting such exchange.

If:

(a) a Permanent Global Security has not been delivered or the principal amount thereof, where applicable, increased by 5.00 p.m. (Luxembourg time) on the seventh day after the bearer of a Temporary Global Security has requested exchange of an interest in the Temporary Global Security for an interest in a Permanent Global Security; or

(b) Definitive Securities have not been delivered by 5.00 p.m. (Luxembourg time) on the forty-fifth day after the bearer of a Temporary Global Security has requested exchange of the Temporary Global Security for Definitive Securities; or

(c) a Temporary Global Security (or any part thereof) has become due and payable in accordance with the Terms and Conditions of the Securities or the date for final settlement of a Temporary Global Security has occurred and, in either case, payment in full of the amounts falling due thereunder has not been made to the bearer of the Temporary Global Security in accordance with the terms of the Temporary Global Security on the due date for payment,

then the Temporary Global Security (including the obligation to deliver a Permanent Global Security or increase the number of Securities represented thereby, where applicable, or deliver Definitive Securities, as the case may be) will become void at 5.00 p.m. (Luxembourg time) on such seventh day (in the case of (a) above) or at 5.00 p.m. (Luxembourg time) on such forty-fifth day (in the case of (b) above) or at 5.00 p.m. (Luxembourg time) on such due date (in the case of (c) above) and the bearer of the Temporary Global Security will have no further rights thereunder (but without prejudice to the rights which the bearer of the Temporary Global Security or others may have under the Deeds of Covenant. Under the Deeds of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Temporary Global Security will acquire directly against the relevant Issuer all those rights to which they would have been entitled if, immediately before the Temporary Global Security became void, they had been the holders of a number of Definitive Securities equal to the number of Securities they were shown as holding in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

Where the Securities are listed on Euronext Dublin and its rules so require, the relevant Issuer will give notice of the exchange of the Permanent Global Security for Definitive Securities pursuant to Condition 8 (*Notices*) of the Securities.

Exchange of Permanent Global Securities

Whenever a Permanent Global Security is to be exchanged for Definitive Securities, the relevant Issuer shall procure the prompt delivery (free of charge to the bearer) of the relevant number of Definitive Securities, duly authenticated to the bearer of the Permanent Global Security against the surrender of the Permanent Global Security to or to the order of the Fiscal Agent within 45 days of the bearer requesting such exchange.

If:

(a) Definitive Securities have not been delivered by 5.00 p.m. (Luxembourg time) on the forty-fifth day after the bearer of a Permanent Global Security has duly requested exchange of the Permanent Global Security for Definitive Securities; or

(b) a Permanent Global Security (or any part of it) has become due and payable in accordance with the Terms and Conditions of the Securities or the date for final settlement of the Securities has occurred and, in either case, payment in full of the amounts falling due thereunder has not been made to the bearer of the Permanent Global Security in accordance with the terms of the Permanent Global Security on the due date for payment,

then the Permanent Global Security (including the obligation to deliver Definitive Securities) will become void at 5.00 p.m. (Luxembourg time) on such forty-fifth day (in the case of (a) above) or at 5.00 p.m. (Luxembourg time) on such due date (in the case of (b) above) and the bearer of the Permanent Global Security will have no further rights thereunder (but without prejudice to the rights which the bearer of the Permanent Global Security or others may have under the Deeds of Covenant). Under the relevant Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Permanent Global Security will acquire directly against the relevant Issuer all those rights to which they would have been entitled if, immediately before the Permanent Global Security became void, they had been the holders of a number of Definitive Securities equal to the number of Securities they were shown as holding in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

Where the Securities are listed on Euronext Dublin and its rules so require, the relevant Issuer will give notice of the exchange of the Permanent Global Security for Definitive Securities pursuant to Condition 8 (*Notices*) of the Securities.

Conditions applicable to Global Securities

Each Global Security will contain provisions which modify the Terms and Conditions of the Securities as they apply to the Global Security. The following is a summary of certain of those provisions:

Payments: All payments in respect of the Global Security will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Global Security to or to the order of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the relevant Issuer in respect of the Securities.

Notices: Notwithstanding Condition 8 (*Notices*) of the Securities, while all the Securities are represented by a Permanent Global Security (or by a Permanent Global Security and/or a Temporary Global Security) and the Permanent Global Security is (or the Permanent Global Security and/or the Temporary Global Security are) deposited with a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, notices to Securityholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Securityholders in accordance with Condition 8 (*Notices*) of the Securities on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system; *provided, however, that*, so long as the Securities are listed on the Official List of Euronext Dublin and its rules so require, notices will also be published in a leading newspaper having general circulation in Ireland or on the website of the Euronext Dublin (*www.ise.ie*).

USE OF PROCEEDS

The net proceeds of the issue of each Tranche of Securities will be used for the general corporate purposes of the relevant Issuer.

INFORMATION ON MEDIOBANCA - BANCA DI CREDITO FINANZIARIO S.P.A.

*This section of the Base Prospectus reflects the contents of (i) certain paragraphs of the registration document published in Italian language by Mediobanca on 22 November 2018 and approved by CONSOB pursuant to CONSOB Regulation No. 11971 of 14 May 1999 (as amended) on 21 November 2018, report No. 482981/18 (the "**Mediobanca Registration Document**"), available at the following website: https://raccoltaproprietaria.mediobanca.it/static/upload/med/0000/mediobanca-registration-document-2018.pdf and (ii) certain information contained in the audited consolidated annual financial statements of Mediobanca and the audited non-consolidated annual financial statements of Mediobanca International as at and for the years ended 30 June 2018 and 2017 as well as in the unaudited consolidated interim financial statements of Mediobanca and the unaudited non-consolidated interim financial statements of Mediobanca International for the period ended 30 December 2018.*

History and development of Mediobanca

Legal status and information

Mediobanca – Banca di Credito Finanziario S.p.A. was set up on 10 April 1946 by virtue of a notarial deed drawn up by Notary public Arturo Lovato, file no. 3041/52378. Mediobanca is a joint stock company incorporated under Italian law registered in the Milan-Monza-Brianza-Lodi Companies' Register under Registration no. 00714490158 having its registered office and administrative headquarters in Piazzetta Enrico Cuccia 1, 20121 Milan, Italy, tel. No.: (0039) 02-88291. Mediobanca operates under Italian law, and the court of Milan has jurisdiction over any disputes arising against it.

Important events in Mediobanca's recent history

Since 30 June 2018 there have been no negative changes either to the financial position or prospects of either Mediobanca or the Group headed up by it.

Neither Mediobanca nor any company in the Group have carried out transactions that have materially affected or that might be reasonably expected to materially affect, Mediobanca's ability to meet its obligations towards third parties.

On 7 May 2019 the unaudited consolidated results for the three month ended 31 March 2019 were approved by the Board of Directors of Mediobanca.

As at the date of this Base Prospectus, S&P rated Mediobanca "A-2" (short-term debt), "BBB" (long-term debt) with negative outlook;

as at the date of this Base Prospectus, Fitch Italia S.p.A. rated Mediobanca "F2" (short-term debt), "BBB" (long-term debt) with negative outlook and Moody's Investors Service Ltd. rated Mediobanca "Baa1" (long-term debt) with stable outlook – see https://www.mediobanca.com/en/media-relations/press-releases/mediobanca-fitch-modifica-i-rating-revisione-del-rating-sovrano.html and https://www.mediobanca.com/en/media-relations/press-releases/moody-s-assigns-mediobanca-baa1-long-term-rating-with-stable-outlook.html.

For an explanation of the rating given by S&P please see below the S&P rating scale:

LONG TERM obligations with an original maturity of more than one year	**SHORT TERM** obligations with an original maturity of no more than one year
Investment grade	**Investment grade**
AAA	A-1

The obligor's capacity to meet its financial commitment on the obligation is extremely strong. AA The obligor's capacity to meet its financial commitment on the obligation is very strong. An obligation rated 'AA' differs from the highest-rated obligations only to a small degree. A The obligation is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong. BBB The obligation exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.	The obligor's capacity to meet its financial commitment on the obligation is strong. Within this category, certain obligations are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitment on these obligations is extremely strong. A-2 The obligation is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rating categories. However, the obligor's capacity to meet its financial commitment on the obligation is satisfactory. A-3 The obligation exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.

(*Source: Standard & Poor's*)

LONG TERM obligations with an original maturity of more than one year	**SHORT TERM** obligations with an original maturity of less than one year
Speculative grade BB The obligation is less vulnerable to nonpayment than other speculative issues. However, it faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation. B The obligation is more vulnerable to nonpayment than obligations rated 'BB', but the obligor currently has the capacity to meet its financial commitment on the obligation. Adverse business, financial, or economic conditions will likely impair the obligor's capacity or willingness to meet its financial commitment on the obligation. CCC The obligation is currently vulnerable to nonpayment,	**Speculative grade** B The obligation is regarded as having significant speculative characteristics. The obligor currently has the capacity to meet its financial commitment on the obligation; however, it faces major ongoing uncertainties which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation. B -1 The obligation is regarded as having significant speculative characteristics, but the obligor has a relatively stronger capacity to meet its financial commitments over the short-term compared to other speculative-grade obligors. B -2 The obligation is regarded as having significant speculative characteristics, and the obligor has an

and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitment on the obligation. In the event of adverse business, financial, or economic conditions, the obligor is not likely to have the capacity to meet its financial commitment on the obligation. CC The obligation is currently highly vulnerable to nonpayment. C A 'C' rating is assigned to obligations that are currently highly vulnerable to nonpayment, obligations that have payment arrearages allowed by the terms of the documents, or obligations of an issuer that is the subject of a bankruptcy petition or similar action which have not experienced a payment default. D The obligation is in payment default. The 'D' rating category is used when payments on an obligation, including a regulatory capital instrument, are not made on the date due even if the applicable grace period has not expired, unless Standard & Poor's believes that such payments will be made during such grace period.	average speculative-grade capacity to meet its financial commitments over the short-term compared to other speculative-grade obligors. B -3 The obligation is regarded as having significant speculative characteristics, and the obligor has a relatively weaker capacity to meet its financial commitments over the short-term compared to other speculative-grade obligors. C The obligation is currently vulnerable to nonpayment and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitment on the obligation. D The obligation is in payment default. The 'D' rating category is used when payments on an obligation, including a regulatory capital instrument, are not made on the date due even if the applicable grace period has not expired, unless Standard & Poor's believes that such payments will be made during such grace period

*NB: ratings from "***AA***" to "***CCC***" inclusive can be modified by adding the "+" or "-" minus sign to specify the position.*

For an explanation of the rating given by Fitch please see below the Fitch rating scale:

LONG TERM obligations with an original maturity of more than one year	**SHORT TERM** obligations with an original maturity of no more than one year
Investment grade AAA Denote the lowest expectation of default risk. They are assigned only in cases of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events. AA Denote expectations of very low default risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events. A	**Investment grade** F-1 Indicates the strongest intrinsic capacity for timely payment of financial commitments; may have an added "+" to denote any exceptionally strong credit feature. F-2 Good intrinsic capacity for timely payment of financial commitments. F-3 The intrinsic capacity for timely payment of financial commitments is adequate.

Denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings BBB Indicate that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate but adverse business or economic conditions are more likely to impair this capacity.	

(*Source: Fitch Ratings*)

LONG TERM obligations with an original maturity of more than one year	**SHORT TERM** obligations with an original maturity of less than one year
Speculative grade BB Indicate an elevated vulnerability to default risk, particularly in the event of adverse changes in business or economic conditions over time; however, business or financial flexibility exists which supports the servicing of financial commitments. B Indicate that material default risk is present, but a limited margin of safety remains. Financial commitments are currently being met; however, capacity for continued payment is vulnerable to deterioration in the business and economic environment. CCC Default is a real possibility. CC Default of some kind appears probable. C Default is imminent or inevitable, or the issuer is in standstill. RD Indicate an issuer that in Fitch Ratings' opinion has entered into bankruptcy filings, administration, receivership, liquidation or other formal winding-up	**Speculative grade** B Minimal capacity for timely payment of financial commitments, plus heightened vulnerability to near term adverse changes in financial and economic conditions. C Default is a real possibility. RD Indicates an entity that has defaulted on one or more of its financial commitments, although it continues to meet other financial obligations. Applicable to entity ratings only. D Indicates a broad-based default event for an entity, or the default of a short-term obligation.

procedure, or which has otherwise ceased business.	

For an explanation of the rating given by Moody's please see below the Moody's rating scale:

LONG TERM obligations with an original maturity of more than one year
Aaa Obligations rated Aaa are judged to be of the highest quality, subject to the lowest level of credit risk. Aa Obligations rated Aa are judged to be of high quality and are subject to very low credit risk. A Obligations rated A are judged to be upper-medium grade and are subject to low credit risk. Baa Obligations rated Baa are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics. Ba Obligations rated Ba are judged to be speculative and are subject to substantial credit risk. B Obligations rated B are considered speculative and are subject to high credit risk. Caa Obligations rated Caa are judged to be speculative of poor standing and are subject to very high credit risk. Ca Obligations rated Ca are highly speculative and are likely in, or very near, default, with some prospect of recovery of principal and interest. C Obligations rated C are the lowest rated and are typically in default, with little prospect for recovery of principal or interest.

Note: Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category. Additionally, a "(hyb)" indicator is appended to all ratings of hybrid securities issued by banks, insurers, finance companies, and securities firms.

(Source: Moody's)

To the knowledge of Mediobanca, each of S&P Global Ratings, acting through S&P Global Ratings Europe Limited, Italy Branch, Fitch Italia S.p.A. and Moody's Investors Service Ltd. is a credit rating agency which is established in the European Union and has been registered in accordance with Regulation 1060/2009/EC on credit rating agencies (as amended from time to time) (the "**CRA**"). As such each of S&P, Fitch and Moody's is included in the latest list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA – see https://www.esma.europa.eu/supervision/credit-rating-agencies/risk.

Business Overview

Principal activities

The Group's operations are segmented as follows:

- ***Wealth Management (WM):*** this new division brings together all asset management services offered to the following client segments:

  - *Affluent & Premier*, addressed by CheBanca!;

  - *Private & HNWI*, addressed in Italy by Mediobanca Private Banking (formerly Banca Esperia and now an internal division of Mediobanca) and Spafid, and in the Principality of Monaco by Compagnie Monégasque de Banque.

  This division also comprises Mediobanca Asset Management, the product factory which Mediobanca intends to set up to serve the MB Group sale networks by leveraging on existing capabilities: Cairn Capital (alternative AM), Duemme SGR (formerly Esperia), and Compagnie Monégasque de Gestion (CMG, formerly CMB).

- ***Corporate & Investment Banking (CIB)***: this division brings together all services provided to corporate clients:

  - *Wholesale Banking*: Client Business (lending, advisory, capital markets activity) and proprietary trading;

  - *Specialty Finance*, which comprises factoring (MBFacta) and credit management (Creditech).

- ***Consumer Banking (CB)***: this division provides retail clients with the full range of consumer credit products, ranging from personal loans to salary-backed finance (Compass and Futuro);

- ***Principal Investing (PI)***: this division brings together the Group's portfolio of equity investments and holdings, including the stake in Assicurazioni Generali;

- ***Holding Functions***: this division houses the Group's Treasury and ALM activities (which previously were included in the CIB division), with the objective of optimizing management of the funding and liquidity processes; it also includes all costs relating to Group staffing and management functions, most of which were also previously allocated to CIB; and continues to include the leasing operations.

This new segmentation, in force since 16 November 2016, was approved in conjunction with the guidelines for the 2016/19 strategic plan with a view to seizing opportunities deriving from the current competitive scenario and prioritizing development of the new Wealth Management division.

In the course of FY 2017-18, Mediobanca acquired a 69% stake in RAM AI, an alternative asset management company.

As at 30 June 2018, Mediobanca had a market capitalization of approx. €7.1bn.

Consolidated financial information as at 30/06/18*

Profit and loss account (€m)	**Corporate & Investment Banking**	**Consumer**	**Wealth Management**	**Principal investing**	**Holding Functions**	**Total**
Net interest income	266.1	868.8	255.2	(7.2)	(37.5)	1,359.4
Total income	631.0	996.2	526.0	295.0	(8.9)	2,419.3
Profit before tax	392.1	463.2	94.2	384.7	(239.0)	1,095.8

Net profit	264.5	315.3	69.2	373.8	(158.9)	863.9

* *Source: Mediobanca audited consolidated annual financial statement as at and for the year ended on 30 June 2018*

Affluent & Premier - CheBanca!

Mediobanca has been operative in retail banking through CheBanca!. This subsidiary, launched in 2008, effectively served as retail deposit gatherer for the Mediobanca Group throughout the financial crisis. In the last four years it has developed a distribution model which is innovative, transparent and with high technology content, while at the same time refocusing its mission from deposit gather to asset gatherer, raising €8.5bn in AUM and breaking even at the operating level in 2017.

Today CheBanca! is distinguished by its:

- High brand recognition;
- Effective, innovative multi-channel distribution (internet, 141 own branches, 226 Financial Agents and 416 Wealth Advisors);
- Simple, transparent products;
- Substantial customer base (approx. 800,000 customers);
- Strong commercial results: €14.2bn in deposits, €8.4bn in assets under management, and €8.1bn in mortgages disbursed.

At 30 June 2018 the company employs a total of 1,321 staff.

Private & HNWI

The range of services offered to clients is split between.

MB Private Banking, formerly Banca Esperia, now 100%-owned and merged into Mediobanca, offering private banking services. The 125 bankers and fifteen branches at the same time will work to develop their asset management activity and the mid-cap platform, acting as a bridge between corporate and private activities in conjunction with Spafid, the Mediobanca Group multi-family office. The Mediobanca Private Banking product offering for high net worth clients includes portfolio management, advisory and financing services. Independence, operational autonomy, focus on private banking activities, and excellence and quality of service, are the hallmarks of a bank which has approx. €19bn in assets under management at its branches in Bergamo, Bologna, Brescia, Cesena, Florence, Genoa, Milan, Padua, Parma, Rome, Turin and Treviso.

Compagnie Monégasque de Banque ("CMB") is 100%-owned by Mediobanca. CMB is market leader in the Principality of Monaco, with total deposits of approx. €7bn. Its geographical position, indepth knowledge of markets and absolute independence make it a player of primary importance, able to provide exclusive services to its clientèle, ranging from loans to asset management.

Spafid, 100%-owned by Mediobanca, this company provides fiduciary administration services in respect of equity investments, securities market investments and fiduciary services for issuers. Spafid currently has assets under administration worth some €4.5bn.

MB Asset Management

As part of the reorganization of the Wealth Management division, a new MB Asset Management product factory has been set up bringing together Cairn Capital, RAM, Mediobanca SGR and Compagnie Monégasque de Gestion (formerly CMB). In this division the individual companies' support units will be centralized (Human Resources, Legal and Compliance, etc.) and a dedicated sales force will be set up with responsibility for distribution of all product lines.

- **Cairn Capital**, a 51% stake having been acquired in this company in December 2015. Cairn Capital is the largest company in this division, and is an asset manager and advisor based in London specializing in credit products. Assets managed by the company total some €2.5bn, plus a further €3.9bn under long-term advice.

- **RAM AI**, in which a 69% stake was acquired in March 2018, is one of the leading European systematic asset managers, offering a wide range of alternative funds to a vast range of institutional and professional investors. As at 30 April 2018, RAM AI had €5bn under management in fourteen funds, with 41 staff.

Consumer Credit – Compass

Mediobanca has operated in the consumer credit sector since the 1960s through its subsidiary Compass. Compass today is one of the leading consumer credit operators on the Italian market, with a market share of 12%.

Compass offers a wide range of products (personal loans, special purpose loans for acquisition of consumer durable goods, credit cards and salary-backed finance), using a highly diversified distribution network consisting of some 171 own branches, distributing agreements with banking partners and retailers, and BancoPosta.

As at the balance-sheet date it had approx. €12bn in loans outstanding, plus a total of 1,429 staff on the books.

On 3 August 2018, Compass Banca S.p.A. announced it had reached an agreement to acquire 19.9% of PT. BFI Finance Indonesia TBK ("**BFI**") from the Trinugraha consortium.

PT. Aryaputra Teguharta ("**APT**") has taken action against Mediobanca and Compass challenging the legitimacy of the sale and purchase agreement in respect of 19.9% of the shares of BFI and asking for it to be declared null and void, and asking for damages. The proceeding is pending at the court of Milan and the first hearing has been set for 5 February 2019.

APT has also launched a precautionary measure to prevent Compass from proceeding to close the acquisition and to order the shares to be seized. The court of Milan, in a ruling issued on 6 November 2018, threw out all the requests made by APT, arguing that the grounds for the precautionary measure were non-existent.

Wholesale Banking

Mediobanca seeks to provide its corporate clients with advisory services and financial services to help them grow and develop.

The wholesale banking division comprises three different units: Corporate Finance, Lending and Structured Finance, Capital Markets.

Corporate Finance

A client-based approach is adopted, backed by indepth knowledge of the financial issues and a consolidated track record in executing deals. The operating unit is organized into different industry teams covering individual industries in order to provide greater focus.

Corporate finance involves the following activities:

- defining strategic objectives for companies and identifying extraordinary financing transactions in order to help meet them;

- extraordinary financing transactions: mergers and acquisitions, joint ventures and partnerships, disposals and spinoffs;

- liability restructuring: earnings/financial analysis of companies/groups undergoing restructuring; working out financial rebalancing scenarios; negotiating with key creditors;

- corporate restructuring: LBOs, MBOs, spinoffs and tax-/inheritance-related issues;

- company valuations, on a standalone basis and for purposes of setting exchange ratios;

- relations with authorities: assistance in handling relations with market and regulatory authorities, principally CONSOB and Borsa Italiana.

Lending and Structured Finance

The Financing teams serve Mediobanca's Italian and international customers, through the branch offices located in Paris, Frankfurt, London, Madrid and Istanbul, to offer:

- advice in evaluating possible capital structures and financing solutions available from among a vast series of debt products, including considering possible implications in terms of rating;

- structuring and executing lending transactions;

- access to the international syndicated loans market;

- facility and security agent services for corporate and structured lending transactions.

The main products of the Lending and Structured Finance unit are:

- **Corporate Lending** (bilateral loans, club deals and syndicated loans): corporate loans aimed at supporting customers' financial requirements generated by investments or related to their companies' growth; the financial solutions offered are aimed primarily at medium-/large-sized firms operating on domestic and international markets, in industrial and service-based sectors.

- **Structured Finance** (acquisition finance, loans for LBO/MBOs, project finance, infrastructure finance, real estate finance): financial support to corporate counterparties and institutional investors as part of leveraged transactions to acquire stakes in listed and unlisted companies; a wide range of lending transactions are developed, arranged, structured, underwritten and executed based on complex structures, and because of their size these are often syndicated on the international market. On the back of its solid track record in various sectors, customers are provided with advisory services covering the entire process of structuring deals to support investment and infrastructure or industrial projects, including offering strategies, selection of the most effective debt instruments, hedging strategies, financial modelling and structuring contracts; and

- **Factoring** (with and without recourse, maturity, and supply credit): sale and discount of trade receivables to help refinance companies' working capital. As well as the financial benefits, factoring can also provide insurance (guarantee against insolvency or delays in payments) and facilitate operations (credit management, accounting, collection and recovery).

Capital Markets

Mediobanca operates on both the primary and secondary markets, trading equities and fixed-income securities, foreign exchange products and credit risk, interest rate and exchange rate derivatives.

In the **equity** market (primary and secondary), activity is divided into the following areas:

- **Equity Capital Markets**: Mediobanca is the Italian leader and has a role of increasing importance internationally in structuring, co-ordinating and executing equity capital markets transactions, such as IPOs, rights issues, secondary offerings and ABOs, and bonds convertible into equity solutions (equity derivatives to manage investments and treasury shares): this unit structures and implements extraordinary financing transactions involving equity investments and treasury shares; using a dedicated trading platform, the team offers customers innovative, high value-added solutions, and also handles any legal, accounting, tax and regulatory issues;

- **Equity Finance** (securities lending, equity repos, collateralized financing): the unit offers tailored securities lending solutions, which range from simple loans to hedge short-/medium-term positions, to equity repos, to upgrades and collateralized financing;

- **Equity Derivatives Institutional Marketing:** a range of equity-linked investments are offered to banks, insurances, asset managers and family offices, from synthetic replications of simple underlying assets to

sophisticated protection mechanisms and solutions for increasing the return on portfolios, funded or unfunded;

- **MB Securities:** this is Mediobanca's equity brokerage division, offering global access to equity markets and research on the Italian market (over 100 companies are covered), plus a pan-European focus on the financials sector (banks and insurances); a dedicated team also offers corporate broking services.

As for the **debt** market, the activity is divided into the following areas of operation:

- **Debt Capital Market**: this team originates, structures, executes and places corporate and financial bond issues, covered bonds and securitizations to meet its customers' financing needs.

- **CRAL Solutions**: this area structures solutions based on interest rates, credit and alternative products; it targets corporate clients, banks and institutional investors who need to restructure their investment portfolios, increase asset liquidity and diversify their sources of funding. An activity of advisory services and structuring of ad hoc solutions on alternative investments focusing institutional investors.

- **Proprietary Funding:** this team is responsible for structuring, issuing and placing debt products, the revenues from which finance the Bank's own activities. Fund raising, supported by the Bank's high credit rating, takes place primarily through the issuance of securities, both plain vanilla and structured. Securities are placed with retail investors through public offers (executed using the CheBanca! owned network, and via networks of individual third banks – including that of BancoPosta – either on an exclusive basis or via groups of banks in syndicates), and direct sales are made over the screen-based bond market (MOT) operated by Borsa Italiana. Demand from institutional investors is met via public offers of securities on the Euromarket and private placements of products customized to meet the subscribers' specific needs.

Specialty Finance

Our Specialty Finance activities include managing and financing credit and working capital. We have operations in factoring with MBFacta and in the credit management sector with MBCredit Solutions.

- **MBCredit Solutions** has for many years performed credit recovery activities (on behalf of the Group companies and third parties) and NPL portfolio acquisitions. The 2016-19 strategic plan envisages the company growing from niche operator to leading player in the credit management sector (servicing inter alia for third parties) and in the acquisition of non-performing loans (NPLs).

- **MBFacta** provides trade receivables sale and discount services (with and without recourse, maturity, supply credit) to refinance corporate working capital. As well as the financial benefits, this service can also include an insurance component (guarantee against insolvency or delays in payments) and/or a management component (portfolio management, accounting, collection and recovery). The factoring platform's factoring offering will be tailored specifically to developing the Mid Corporate segment in synergy with the other services offered by CIB to this category of firm.

Principal Investing

Mediobanca has an equity portfolio of investments made over time, consisting of minority stakes in leading Italian and international companies, most of which are listed. As a result of the recent introduction of tighter regulations on regulatory capital and the Bank's desire to concentrate more on highly-specialized banking activities, this portfolio of investments is in the process of being reduced. Disposals were completed during the course of FY 2017-18: stakes worth approx. €287m were sold, yielding gains of almost €98m. In view of the size of the investments and the role played by Mediobanca in the governance of the companies concerned, the shareholdings in Generali and RCS MediaGroup are assigned to the Principal investing division.

Company	***Sector***	***% of share capital***	***Book value as at 30/6/18*** ***€m***
Assicurazioni	*Insurance*	*13.0%*	*3,171*

Generali			
RCS Mediagroup	*Publishing – media*	*6.6%*	*37*
Atlantia	*Infrastructure*	*6.1%*	*61*

Leasing

Mediobanca owns a direct 60% stake in the SelmaBipiemme Leasing group, with the other 40% held by the Banca Popolare di Milano. The group operates in financial leasing. In the twelve months to 30 June 2018, the Group disbursed some €400m in leases, on leases outstanding totalling approx. €2.1bn. As at 30 June 2018 the headcount numbered 141 staff.

Brief description of the Mediobanca's principal activities, with an indication of the main categories of products sold and/or services provided

As stated in Article 3 of Mediobanca's Articles of Association, the Mediobanca's purpose is to raise funds and provide credit in any of the forms permitted, especially medium- and long-term credit to corporates.

Within the limits laid down by current regulations, Mediobanca may execute all banking, financial and intermediation-related operations and services, and carry out any transaction deemed to be instrumental to or otherwise connected with the achievement of Mediobanca's purpose.

There are no significant new products and/or services that have been introduced and no development of new products and services has been disclosed.

Principal markets

The Mediobanca Group's activities are principally focused on the domestic market (from a geographical standpoint Italy accounts for approx. 80% of the Group's loan book). In particular:

- Corporate & Investment Banking (CIB): half the revenues and loan book for this division is originated by the Italian market, the other half by other countries (notably France, Germany, Spain and the United Kingdom): the division employs some 590 staff, around 160 of whom are based outside Italy;

- Consumer banking: activities focus exclusively on the Italian market, and employ approx. 1,429 staff at more than 171 branches (not including the recent entry to the Indonesian market with the acquisition of a 20% stake in BFI Finance);

- Wealth Management (WM): this division's activity is focused primarily on the Italian market, with the exception of CMB (which operates in the Principality of Monaco), RAM AI (which operates throughout Europe from its headquarters in Switzerland), and Cairn Capital (which operates in the United Kingdom); and employs around 1,900 staff at over 110 branches;

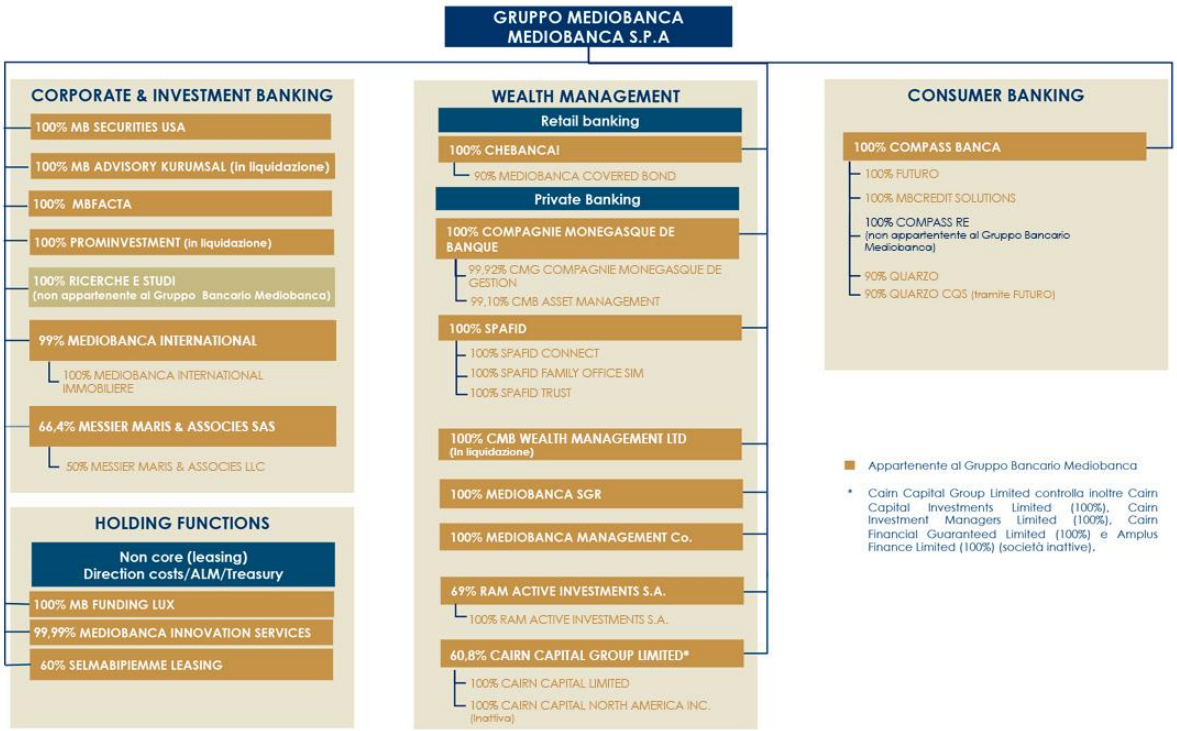
- Leasing activities chiefly target the domestic market.

Organizational Structure

Description of organizational structure of group headed up by Mediobanca

The Mediobanca Group is registered as a banking group in the register instituted by the Bank of Italy.

The following diagram illustrates the structure of the Mediobanca Group as at the date hereof.



Subsidiaries and main investee companies

Mediobanca is parent company of the Mediobanca Banking Group. No individual or entity controls Mediobanca within the meaning of Article 93 of the Italian Consolidated Finance Act.

A list of the main Group companies included in the area of consolidation for the consolidated financial statements as at the date of this document is shown below:

Group companies

COMPASS Banca S.p.A.	Italy	100%	(dir)
CHEBANCA! S.p.A.	Italy	100%	(dir)
SELMABIPIEMME LEASING S.p.A.	Italy	60%	(dir)
Compagnie Monégasque de Banque S.A.M.	Principality of Monaco	100%	(dir)
MEDIOBANCA INTERNATIONAL (Luxembourg) S.A.	Luxembourg	100%[1]	(dir)
SPAFID S.p.A.	Italy	100%	(dir)

Group companies			
SPAFID TRUST S.R.L.	Italy	100%	(indir)
SPAFID CONNECT S.p.A.	Italy	100%	(indir)
MEDIOBANCA SECURITIES USA LLC	United States	100%	(dir)
Mediobanca SGR S.P.A.	Italy	100%	(dir)
Mediobanca Management Company S.A.	Luxembourg	100%	(dir)
MBCREDIT SOLUTIONS S.p.A.	Italy	100%	(indir)
RICERCHE E STUDI S.p.A.	Italy	100%	(dir)
Mediobanca Innovation Services S.c.p.A	Italy	100%[2]	(dir)
FUTURO S.p.A.	Italy	100%	(indir)
PROMINVESTMENT S.p.A. in liquidation	Italy	100%	(dir)
MBFACTA S.p.A.	Italy	100%	(dir)
QUARZO S.r.l.	Italy	90%	(indir)
QUARZO CQS S.r.l.	Italy	90%	(indir)
MB COVERED BOND S.r.l.	Italy	90%	(indir)
C.M.B. ASSET MANAGEMENT S.A.M.	Principality of Monaco	99.10%	(indir)
C.M.G. COMP. MONEG. D.G. S.A.M.	Principality of Monaco	99.92%	(indir)
CMB WEALTH MANAGEMENT in liquidation	United Kingdom	100%	(dir)
COMPASS RE S.A.	Luxembourg	100%	(indir)
MB ADVISORY KURUMSAL DANISMANLIK HIZMETLERI A.S. in liquidation	Turkey	100%	(dir)
MEDIOBANCA INTERNATIONAL IMMOBILIERE S.à r.l.	Luxembourg	100%	(indir)
CAIRN CAPITAL GROUP Ltd	United Kingdom	60.8%	(dir)
CAIRN CAPITAL Ltd	United Kingdom	51%	(indir)
CAIRN CAPITAL NORTH AMERICA Inc. (not operative)	United States	51%	(indir)
CAIRN FINANCIAL GUARANTEE Ltd. (not operative)	United Kingdom	51%	(indir)
CAIRN CAPITAL INVESTMENTS Ltd. (not operative)	United Kingdom	51%	(indir)
CAIRN INVESTMENTS MANAGERS Ltd. (not operative)	United Kingdom	51%	(indir)
AMPLUS FINANCE Ltd. (not operative)	United Kingdom	51%	(indir)
MB FUNDING LUX S.A.	Luxembourg	100%	(dir)
SPAFID FAMILY OFFICE SIM S.p.A.	Italy	100%	(indir)

Group companies			
RAM ACTIVE INVESTMENTS S.A.	Switzerland	89.3/69%	(dir)
RAM ACTIVE INVESTMENTS (LUXEMBOURG) S.A.	Luxembourg	89.3/69%	(indir)
MESSIER MARIS & ASSOCIES SAS	France	66.4%	(dir)
MESSIER MARIS & ASSOCIES LLC	USA	50%	(dir)

[1] 99% Mediobanca and 1% Compass Banca

[2] 99.99 Mediobanca and 0.01% subsidiary companies

In view of the size of the investment and the role played by the Bank in the companies' governance, as at 30 June 2018, the values reflected by the investments in Assicurazioni Generali were as follows:

Company	Sector	% of share capital	Book value as at 30/6/18
			€m
Assicurazioni Generali	Insurance	13.0%	2,997

Forecasts or estimates of profits

Information on recent trends

No substantial adverse changes have taken place in Mediobanca's or the Group's prospects since 30 June 2018.

Information on trends, uncertainties, requests, commitments or known facts which could reasonably be expected to have material repercussions on the Issuer's prospects for at least the current financial year

Mediobanca is not aware of any information on trends, uncertainties, requests, commitments or facts known which could reasonably have significant repercussions on Mediobanca's prospects for the current financial year.

Bodies Responsible for governance, management and supervision

Information on governing bodies

Information on the Bank's governing bodies is provided below, as updated following the Annual General Meeting held on 27 October 2018.

Changes in the composition of the governing bodies and other information related to them are published from time to time on the Issuer's website at www.mediobanca.it (https://www.mediobanca.com/en/corporate-governance/index.html).

Board of Directors

The Board of Directors, appointed on 28 October 2017 for the 2018, 2019 and 2020 financial years with new Directors co-opted on 20 September 2018 (as confirmed by the shareholders at the Annual General Meeting held on 27 October 2018), as at 27 October 2018 consisted of fifteen members, eleven of whom qualify as independent under Article 148, paragraph 3 of Italian Legislative Decree 58/98, eight of which eleven also qualify as independent under Article 19 of the company's Articles of Association (the requisites for which definition are substantially aligned with those of the Code of Conduct in respect of listed companies[3]). Its composition also reflects the legal requirements in terms of gender balance.

3) The definition considers parties holding an interest of more than 2% or which are significant representatives in their own groups as not independent, regardless of whether or not they are parties to shareholder agreements.

Composition of Board of Directors

Name	Post held	Place and date of birth	Term of office expires	Posts held in other companies
Renato Pagliaro	Chairman **(4)	Milan, 20/2/57	28/10/20	-
Maurizia Angelo Comneno*	Deputy Chairman (1)	Rome, 18/6/48	28/10/20	-
Alberto Pecci	Deputy Chairman (5)	Pistoia, 18/9/43	28/10/20	Chairman, Pecci Filati Director El.En. Chairman, Tosco –Fin
Alberto Nagel*	Chief Executive Officer **	Milan, 7/6/65	28/10/20	-
Francesco Saverio Vinci *	General Manager**	Milan, 10/11/62	28/10/20	-
Marie Bollorè	Director (1)(4)	Neully sur Seine, 8/5/88	28/10/20	Director, Bolloré Director, Financière de l'Odet Director, Bolloré Participations Director, Financière V Director, Omnium Bolloré Director, Blue Solutions Director, Societé Industrielle et Financière de l'Artois Member of Supervisory Board, Sofibol Chairman of Supervisory Board, Compagnie du Cambodge CEO, Electric Mobility Application Division of Bolloré Group
Maurizio Carfagna	Director (1) (2)(3)(5)	Milan, 13/11/47	28/10/20	Chief Executive Officer, H-Invest Diector, FingProg Italia Director, Futura Invest
Maurizio Costa	Director (1)(2)(4)	Pavia, 29/10/1948	28/10/20	Director, Amplifon
Angela Gamba	Director (1)(2)(3)	Palazzolo sull'Oglio (BS), 15/8/70	28/10/20	Director, Parmalat
Valérie Hortefeux	Director (1)(2)(3)(5)	Aulnay (France), 14/12/67	28/10/20	Director, Blue Solutions Director, Ramsay – Generale de Santé
Maximo Ibarra	Director (1)(2)	Calì (Colombia), 13/12/68	28/10/20	CEO, Royal KPN
Alberto Lupoi	Director (1)(2)(4)(5)	Roma, 29/3/70	28/10/20	-
Elisabetta Magistretti	Director (1)(2)(3)(4)	Busto Arsizio, 21/7/47	28/10/20	Director, Luxottica Group Director, Smeg.

Name	Post held	Place and date of birth	Term of office expires	Posts held in other companies
Vittorio Pignatti-Morano Campori	Director (1)(2)(3)	Rome, 14/9/57	28/10/20	Executive Chairman, Trilantic Europe (to this end holds the post of Director in the individual Trilantic fund management companies) Director, Marex Spectron Group Ltd Director, Pharmacontract; Chairman of Board of Directors, Gamenet S.p.A.; Director, ICS Maugeri Director, Lilium Restaurants Ltd Director, Marchesi de' Frescobaldi S.p.A.
Gabriele Villa*	Director (1)	Milan, 18/6/64	28/10/20	Standing Auditor, Edison Standing Auditor, Transalpina di Energia, Standing Auditor, Otis Servizi

* *Member of Executive Committee.*
** *Member of Mediobanca senior management.*
(1) *Independent Director pursuant to* Article 148, paragraph 3 of the Financial Services Act.
(2) *Independent Director pursuant to Article 19 of the Issuer's articles of association.*
(3) *Member of the Risks Committee (which also performs the duties of the Related Parties Committee) pursuant to Article 20 of the Issuer's articles of association.*
(4) *Member of the Appointsments Committee pursuant to Article 20 of the Issuer's articles of association.*
(5) *Member of the Remunerations Committee pursuant to Article 20 of the Issuer's articles of association*.

All Board members are in possession of the requisites to hold such office set by the regulations in force at the time.

The address for all members of the Board of Directors for the duties they discharge is: Piazzetta E. Cuccia 1, Milan, Italy.

Statutory Audit Committee

Composition of Statutory Audit Committee:

Post held	Name	Place and date of birth	Term expires	Principal outside activities
Chairman	Natale Freddi	Rho, 6/6/52	FY 28/10/20	-
Standing auditor	Francesco Di Carlo	Milan, 4/10/69	FY 28/10/20	Chairman of Statutory Audit, Committee, Italmobiliare, Director, Milano Investment, Partners SGR
Standing auditor	Laura Gualtieri	Reggio Emilia, 18/10/68	FY 28/10/20	Standing Auditor, Prysmian
Alternate auditor	Alessandro Trotter	Vimercate, 09/06/40	FY 28/10/20	Alternate Deputy Chairman, Credito Valtellinese S.p.A. Chairman of Statutory Audit Committee, Credito Fondiario Chairman of Statutory Audit Committee, ePIC SIM Standing Auditor, Eurotlx SIM Standing Auditor, Salini-Impregilo
Alternate auditor	Barbara Negri	Alessandria, 13/06/73	FY 28/10/20	Standing Auditor, Burgo Distribuzione Standing Auditor, Edison Energy Solutions – Edison Exploration & Production – Edison International – Edison Partecipazioni Energie Rinnovabili
Alternate auditor	Stefano Sarubbi	Milan, 6/12/65	FY 28/10/20	Chairman of Statutory Audit Committee, Coca Cola Italia Chairman of Statutory Audit Committee, Comfactor Chairman of Statutory Audit Committee, Infrastrutture Wireless Italiane – Inwiit CEO, Sigmagest and Chairman of Board of Directors, Sigma Business Management and Sigmagest financial Business Advisors

All Statutory Audit Committee members are in possession of the requisites to hold such office by law, in terms of fitness, professional qualifications and independence; and are all registered as auditors.

The address for all members of the Statutory Audit Committee for the duties they discharge is: Piazzetta E. Cuccia 1, Milan, Italy.

Conflicts of interest among bodies responsible for governance, management and supervision

A ban was instituted pursuant Article 36 of Italian Decree Law 201/11, as converted into Italian Law 214/11, on representatives of banks, insurers and financial companies from holding positions in companies which operate in the same sectors. Each year the Board of Directors assesses the positions of the individual directors, which may have changed as a result of changes in the activities or size of the other companies in which they hold posts. To this end, each director, including in order to avoid potential conflict of interest, shall inform the Board of any changes in the positions assumed by them in the course of their term of office.

Mediobanca also adopts the procedure recommended under Article 136 of the Italian Consolidated Banking Act for approval of transactions involving individuals who perform duties of management and control in other companies controlled by such parties.

Members of the bodies responsible for governance, management and supervision are also required to comply with the following provisions:

- Article 53 of the Italian banking act and implementing regulations enacted by the Bank of Italy, in particular the supervisory provisions on links with related parties;
- Article 2391 of the Italian Civil Code (Directors' Interests);
- Article 2391-bis of the Italian Civil Code (Transactions with Related Parties). Transactions with "related parties" are described in part H of the financial statements for the twelve months ended 30 June 2018.

Mediobanca and its governing bodies have adopted internal measures and procedures to ensure compliance with the provisions referred to above.

Main Shareholders

Information on ownership structure

As at the date hereof, the Issuer's fully subscribed and paid up share capital amounted to €443.583.088,50 made up of 887,166,177 ordinary par value €0.50 shares.

Individuals or entities who based on the shareholders' register and publicly available information as at the date hereof, own directly or indirectly financial instruments representing share capital with voting rights in excess of 3% of the company's share capital, directly or indirectly, are listed below:

Shareholder	**% of share capital**
UniCredit group	8.40
Financière du Perguet (Bolloré group)	7.86
BlackRock group*	4.98
Banca Mediolanum group	3.28
INVESCO	3.01

* BlackRockInc. (NY), via fifteen asset management subsidiaries, 0.514% of which by way of potential investment and 0.216% as contracts of differences.

No party controls Mediobanca according to the definition provided in Article 93 of the Italian banking act.

The information on the Issuer's main shareholders is updated from time to time on its website www.mediobanca.com (https://www.mediobanca.com/en/corporate-governance/main-shareholders/main-shareholders.html).

Description of any agreements known to the Issuer which may subsequently give rise to a change in the control of the Issuer.

On 20 December 2018, in view of the termination with effect from 1 January 2019 of the previous shareholders' agreement, certain shareholders of Mediobanca holding No. 183,887,317 shares representing approximately 20.73% of the share capital of the Issuer entered into a prior consultation shareholders' agreement (the "Shareholders' Agreement") pursuant to Article 122, point 5, letter a) of the Financial Services Act. Such Shareholders' Agreement is effective from 1 January 2019.

No provision is made in the Shareholders' Agreement for commitments in terms of lock-up or votes in respect of the shares syndicated to it.

An excerpt from the Agreement may be found on the Issuer's website at www.mediobanca.com (https://www.mediobanca.com/en/corporate-governance/main-shareholders/consultation-agreement-between-mediobanca-shareholders.html).

Auditors of the Financial Statements

External auditors and auditors responsible for auditing the financial statements

At an annual general meeting held on 27 October 2012, the shareholders of Mediobanca appointed PricewaterhouseCoopers S.p.A. to audit the Bank's separate and consolidated full-year and interim financial statements up to and including the financial year ending 30 June 2021.

PricewaterhouseCoopers S.p.A. a company with its registered offices in via Monte Rosa 91, Milan, Italy, has audited the separate and consolidated financial statements of Mediobanca as at 30 June 2018 and 2017. PricewaterhouseCoopers S.p.A is registered under No. 119644 in the Register of Accounting Auditors (*Registro dei Revisori Legali*) maintained by MEF (*Ministero dell'Economia e delle Finanze*) in compliance with the provisions of Legislative Decree No. 39 of 27 January 2010 (the "**Decree 39/2010**").

External supervisory bodies other than the external auditors

There are no external supervisory bodies other than the external auditors.

Information regarding resignations, dismissals or failures to renew the appointment of the external auditors or the auditors responsible for auditing the financial statements

No resignations, dismissals or failures to renew the appointment of the external auditors have occurred during the period under review.

Judicial proceedings and inspections in course

As at the date hereof, none of Mediobanca and its consolidated subsidiaries is or has been involved in any governmental, legal, arbitration or administrative proceedings in the 12 months precedeing the date of this document relating to claims or amounts of money which may have, or have had in the recent past, a material impact on the Group's financial position or profitability, and as far as Mediobanca or, as the case may be, Mediobanca International is aware, no such litigation, arbitration or administrative proceedings is pending or threatened.

Mediobanca believes that the provisions for risks and charges, which at 30 June 2018 amounted to €185,482m, is sufficient to meet any charges due in connection with all the cases that have been brought against the Bank itself and the other Group companies (for which no other significant litigation is pending) and any other contingent liabilities, of which, as permitted by IAS 37 "Provisions, Contingent Liabilities and Contingent Assets",

paragraph 92, no precise indication has been given. It should be noted that the provisions for risks and charges amounts to €173.1m to cover litigation and other contingent liabilities.

A description of the main litigation and inspections pending is provided below:

Litigation pending

The most significant litigation pending against Mediobanca is as follows:

- Fondazione Monte dei Paschi di Siena ("**FMPS**"): claims against former directors of FMPS and Mediobanca, jointly with another thirteen banks. The liability with which the banks are charged is non-contractual, and regards the said banks' involvement in the contractual liability of the former FMPS directors for the alleged damages caused to FMPS itself in connection with the execution of the Term Facility Agreement on 4 June 2011 and the consequent breach of FMPS's Articles of Association (20% limit on debt/equity ratio) in a total amount of €286m. The next hearing is set for 4 June 2019 to discuss whether or not authorization is needed from the Italian ministry for the economy and finance for FMPS to initiate proceedings against its former directors and the other preliminary enquiries, including the preliminary exemption for arbitration at the London Court of International Arbitration (LCIA) in Paris.

- Lucchini S.p.A. in extraordinary administration ("**Lucchini**"): against twelve banks, including Mediobanca, for their alleged involvement in the financial disaster which affected the company on account of their having compiled and implemented a business and financial plan for Lucchini based on estimates alleged to have been unrealistic as well as a restructuring agreement pursuant to Article 182-bis of the Italian bankruptcy law which included unbalanced guarantees in favour of the banks, leading to a delay in Lucchini entering the extraordinary administration procedure. The next hearing has been set for 9 April 2019;

With reference to the agreement between Compass and the Tinugraha consortium to acquire 19.9% of BFI as described in section 5.1.1 above, it should be noted that a case is currently pending with the court of Milan brought by APT against Mediobanca and Compass, challenging the legitimacy of the sale and purchase agreement in respect of the 19.9% stake in BFI and asking for it to be declared null and void, and asking for damages. The first hearing has been set for 5 February 2019.

Tax disputes

With reference to the disputes outstanding with the Italian revenue authorities, as at 30 June 2018 the Mediobanca Group had twenty-one cases pending in respect of approx. €24.5m, as described in more detail in the consolidated financial statements for the twelve months ended 30 June 2018 published on www.mediobanca.it (section 12).

In particular, it should be noted that two new cases arose in the course of the year, in connection with the alleged failure of CheBanca! to pay registration tax on the deed of purchase for its acquisition of Barclays' Italian operations in 2016, involving higher tax worth a notified amount of €11.1m, as follows

Inspections

The Issuer audited consolidated annual financial statements in respect of the year ending on 30 June 2018 contains a more detailed description of the tax remain outstanding.

There is no other significant litigation pending as at the date of this Base Prospectus.

The provision for risks and charges amply covers any charges that may be payable as a result of the claims made against Mediobanca and the Group's companies.

Significant changes in the Issuer's financial position

There have been no significant changes to financial or commercial position of Mediobanca, or the other companies forming part of the Group since the most recent financial information available was disclosed in the unaudited consolidated interim financial statements for the six month ended 31 December 2018.

There have been no significant changes to the financial or trading position of Mediobanca International since the most recent financial information available, which was disclosed in the unaudited non-consolidated interim financial statements as at and for the year ended 31 December 2018.

Material Agreements

Neither Mediobanca nor any of the companies controlled by Mediobanca has entered into or participates in agreements outside of their normal course of business which could result an obligation or entitlement for Group members that would impact significantly on the Issuer's ability to meet its obligations in respect of the holders of financial instruments issued or to be issued.

FINANCIAL INFORMATION OF MEDIOBANCA – BANCA DI CREDITO FINANZIARIO S.P.A.

The consolidated annual financial statements of Mediobanca as at and for the years ended 30 June 2018 and 2017 were prepared in accordance with IFRS as adopted by the European Union.

The unaudited consolidated interim financial statements of Mediobanca as at and for the six months ended 31 December 2018 and 2017 have been prepared in accordance with IFRS as adopted by the European Union.

All of the above consolidated financial statements, prepared in each case together with the notes thereto, are incorporated by reference in this Base Prospectus. See "*Documents Incorporated by Reference*".

The annual consolidated financial statements referreto to above have been audited by PricewaterhouseCoopers S.p.A., whose reports thereon are attached to such annual financial statements.

INFORMATION ON MEDIOBANCA INTERNATIONAL (LUXEMBOURG) S.A.

General Information

Name:	Mediobanca International (Luxembourg) S.A. ("**Mediobanca International**").
Date of Incorporation:	Mediobanca International was incorporated in 13 September 1990 and its registered office was transferred to Luxembourg by a resolution of the Shareholders before a notary on December 21, 2005 and the articles of incorporation were published in the *Mémorial Recueil des Sociétés et Associations* number 567 on 17 March 2006. The articles of association were amended on 5 October 2007 and were published in the *Mémorial Recueil des Sociétés et Associations* number 2995 on 24 December 2007. The articles of association were further amended on 30 January 2017 and were published in the *Recueil électronique des Sociétés et Associations* number RESA_2017_042 of 16 February 2017.
Legislation:	Mediobanca International operates under Luxembourg law.
Registered Office and Telephone Number:	4, Boulevard Joseph II, L-1840 Luxembourg, Grand Duchy of Luxembourg, Tel. No.: (00352) 267303-1.
Registration:	Registre de Commerce et des Sociétés Luxembourg number B 112885.
Financial Year:	Mediobanca International's financial year ends on 30th June of each year.
General Meetings:	General Meetings are held at least once a year.

Share Information

Authorised and Issued Capital:	EUR 10,000,000 divided into 1,000,000 ordinary shares of EUR 10.00 each.
Reserves:	EUR 318,552,612 as at 30 June 2018.
Controlling Shareholders:	Mediobanca - Banca di Credito Finanziario S.p.A.
Change of control:	Mediobanca International is not aware of any agreements aimed at bringing about future changes regarding the ownership structure of

Mediobanca International.

Management

Board of Directors: The Articles of Association provide for a Board of Directors consisting of at least three members elected by the general meeting of shareholders for a term of office not to exceed six years.

Directors: The Board of Directors is responsible for setting authorisation levels, defining organisational structure, defining the system of internal control and reviewing it on a regular basis, and approving the bank's accounts and interim statements. The Board of Directors consists of the following seven Directors:

Director	*Place and date of birth*	*Posts held inside Mediobanca International*
Massimo Di Carlo	Rovereto on 25 June 1963	Director
Stefano Biondi	Rome on 6 April 1977	Managing Director
Peter Gerrard (Chairman)	New York on 21 October 1947	Chairman
Piero Pezzati	Milan on 23 March 1953	Director
Paola Schneider	Naples on 17 September 1961	Director
Stéphane Bosi	Monticelli d'Ongina on 27 April 1953	Director
Giovanni Mancuso	Turin on 5 December 1954	Director

The business address of each of the directors is 4, Boulevard Joseph II, L-1840 Luxembourg, Grand Duchy of Luxembourg with the exception of Massimo Di Carlo and Paola Schneider whose business address is 1 Piazzetta E. Cuccia, 20121 Milan.

There are no potential conflicts of interests between any of the Directors' duties to Mediobanca International and their private interests or other duties.

Authorised managers: Day-to-day management is entrusted to two authorised managers: Stefano Biondi (Managing Director and CEO) and Giovanni Mancuso.

Approved independent auditors: PricewaterhouseCoopers, *Société coopérative*, incorporated under the laws of Luxembourg, with its registered office at 2, rue Gerhard

Mercator, B.P. 1443, L-1014 Luxembourg, Grand Duchy of Luxembourg, and registered with the Luxembourg Trade and Companies Register under number B.65477 ("**PwC Luxembourg**"), was designated, during a meeting of the Board of Directors held on 11 September 2012, the Mediobanca International's independent auditors (*réviseur d'entreprises agréé*). Their mandate was renewed by the Board of Directors on 14 December 2016 for a period ending at the shareholders' annual general meeting which will be held in 2021.

PwC Luxembourg, has audited the non-consolidated financial statements of Mediobanca International as at and for the years ended 30 June 2018 and 30 June 2017 and will audit the non-consolidated financial statements of Mediobanca International as at and for the year ending 30 June 2019.

PwC Luxembourg is registered as a *cabinet de révision* with the public register of company auditors drawn up by the Luxembourg Ministry of Justice and is a member of the Institute of Independent Auditors (*l'Institut des Réviseurs d'Entreprises*) and is approved by the Commission de Surveillance du Secteur Financier ("**CSSF**") in the context of the law dated 23 July 2016 on the audit profession, as amended.

Corporate governance:

Mediobanca International is not subject to any compulsory corporate governance code of conduct or respective statutory legal provisions. The Luxembourg law dated 10 August 1915 on commercial companies, as amended, does not make the application of a corporate governance code mandatory to Mediobanca International. The Ten Principles of Corporate Governance of the Luxembourg Stock Exchange do not apply because the shares of Mediobanca International are not listed on a regulated market operated by the Luxembourg Stock Exchange.

Object and General Business Policy

Business Operations:

Article 3 of Mediobanca International's Article of Association provides, among other things, that the sole object of Mediobanca International is to carry out, either within or outside the Grand Duchy of Luxembourg, any banking or financial operations authorised by the law relating to the financial sector.

Mediobanca International's principal activity consists of raising funds on international markets, by issues of bonds chiefly under a short and medium term notes programme guaranteed by Mediobanca. Mediobanca International is also engaged in corporate lending operations.

Risk Management:	All interest rate, currency, credit and other risks are managed within the Mediobanca Group.
Tax Treatment:	See "*Taxation - (B) Tax Regime for Mediobanca International issues – Luxembourg*".

Main financial information of Mediobanca International

Selected annual financial information. The summary audited balance sheet, profit and loss account and cash flow statement of Mediobanca International as at and for the year ended 30 June 2018 are shown below, along with comparative data as at and for the year ended 30 June 2017.

MAIN STATEMENT OF FINANCIAL POSITION ITEMS	**30/6/18**	**30/6/17**	**CHANGES 2018/2017 %**
	€m	**€m**	
Assets			
Loans and advances to credit institutions	2,774.9	1,290.1	115.1%
Loans and advances to customers	4,090.4	3,299.9	24.0%
Financial assets*	34.1	582.7	-94.1%
Total Assets	**7,014.3**	**5,191.7**	35.1%
Liabilities			
Debt securities in issue	3,652.7	1,317.4	177.3%
Amounts due to credit institutions	2,180.3	2,248.9	-3.1%
Amounts due to customers	792.7	962.5	-17.6%
Trading liabilities	19.1	319.2	-94.0%
Net equity**	328.6	307.8	6.8%
of which: share capital	10.0	10.0	0.0%
Profit for the year	12.4	20.8	-40.4%
Total Liabilities	**7,014.3**	**5,191.7**	**35.1%**

* Includes Financial Assets held for trading, Financial Assets held to maturity and Hedging derivatives.
** Includes reserves and share capital.

MAIN STATEMENT OF COMPREHENSIVE INCOME ITEMS	**30/6/18**	**30/6/17**	**CHANGES 2018/2017 %**
	€m	**€m**	
Net interest income	23.3	38.6	-39.6%
Net fee and commission income	5.2	1.0	420.0%
Total income	25.8	36.2	-28.7%
Net income from banking activities	25.7	37.0	-30.5%
Administrative expenses	-9.1	-8.5	7.1%
Profit of the ordinary activity before tax	**16.8**	**28.5**	**-41.1%**
Profit for the year	**12.4**	**20.8**	**-40.4%**

CASH FLOW STATEMENT	Year ended 30 June	
CASH FLOW FROM OPERATING ACTIVITIES	**2018**	**2017**
	(€ thousands)	
Operating activities	159,546	81,740
Cash generated/(absorbed) by financial assets	-2,675,616	580,864
Cash (generated)/absorbed by financial liabilities	2,477,840	-663,951
Net cash flow (outflow) from operating activities	-38,230	-1,347
CASH FLOW FROM INVESTMENT ACTIVITIES		
Net cash flow (outflow) from investment activities	50,000	-
NET CASH FLOW (OUTFLOW) DURING YEAR	**11,770**	**-1,347**

PLAN OF DISTRIBUTION

References in this Base Prospectus to "**Mandated Dealer(s)**" are to the entity listed in the paragraph headed "**Dealer**" in the section headed "Description of the Issuance Programme" above and to such additional entities which are appointed from time to time as dealers in respect of the whole Programme (and whose appointment has not been terminated). References to "**Dealers**" are to all entities appointed from time to time as a dealer solely in respect of one or more Tranches, which may include but is not limited to, any Mandated Dealer(s).

The Issuers may from time to time appoint one or more Dealer(s) in respect of the Programme or in relation to a single Tranche only during the term of the Securities. Any such new Dealer(s) shall accede to the Dealer Agreement by execution of a dealer accession letter substantially in the form set out in Schedule 4 (*Form of Dealer Accession Letter*) to the Programme Manual (the "**Dealer Accession Letter**") and will become a party to a dealer agreement dated 24 May 2019 between the Issuers, Guarantor and Mandated Dealer, as further amended or supplemented from time to time (the "**Dealer Agreement**") with all the authority, rights, powers, duties and obligations of a Dealer as if originally named as a Dealer thereunder.

Subject to the terms and conditions of the Dealer Agreement, the Securities will be offered on a continuous basis by each Issuer to the Mandated Dealers. However, in respect of single Tranches, the relevant Issuer has reserved the right to sell Securities directly on its own behalf to Dealers which are not Mandated Dealers.

The relevant Issuer may also offer and sell Securities directly to investors without the involvement of any Dealer.

The Securities may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Securities may also be sold by the relevant Issuer through the Dealers, acting as agents of such Issuer. The Dealer Agreement also provides for Securities to be issued in syndicated Tranches which are jointly and severally underwritten by two or more Dealers.

Pursuant to the terms and conditions of the Dealer Agreement, the relevant Issuer, failing which, where applicable, the Guarantor, has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Securities. The Dealer Agreement may be terminated in relation to all the Dealers or any of them by Mediobanca and Mediobanca International, acting together or, in relation to itself and Mediobanca and Mediobanca International only, by any Dealer, at any time on giving not less than ten Business Days' notice.

General

The selling restrictions described below may be modified by the agreement of the relevant Issuer, the Guarantor (where applicable) and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in a supplement to this Base Prospectus.

No action has been taken in any jurisdiction that would permit a public offering of any of the Securities, or possession or distribution of the Base Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

The Dealer and each further Dealer appointed under the Programme has agreed that it will comply with all relevant laws, regulations and directives in force in each jurisdiction in which it purchases, offers, sells or

delivers Securities or has in its possession or distributes the Base Prospectus, any other offering material or any Final Terms 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 neither the relevant Issuer, the Guarantor (where applicable), nor any other Dealer shall have responsibility therefor.

Prohibition of sales to EEA Retail Investors

Unless the Final Terms in respect of any Securities specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", the Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Securities which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or

(ii) a customer within the meaning of Directive (UE) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the "**Prospectus Directive**"); and

(b) the expression an "**offer**" includes 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 the Securities.

If the Final Terms in respect of any Securities specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", in relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), the Dealer has represented and agreed, and each further Dealer appointed under the Programme 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 Base 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 relevant Issuer has consented in writing to its use for the purpose of the 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 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 paragraphs (a) to (c) above shall require any of the Issuers 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 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 (as amended, including by Directive 2010/73/EU, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State.

Ireland

The Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not underwrite, offer, place or do anything with respect to the Securities:

(a) otherwise than in conformity with the provisions of the European Union (Markets in Financial Instruments) Regulations 2017 of Ireland (the "**MiFID II Regulations**"), if operating in or otherwise involving Ireland, and of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 and Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (recast) (together, "**MiFID II**") and the provisions of the Investor Compensation Act 1998;

(b) if acting under an authorisation granted to it for the purposes of MiFID II, otherwise than in conformity with the terms of that authorisation, any applicable requirements of the MiFID II Regulations and any applicable rules, codes of conduct or practice, conditions or requirements, or any other enactment, imposed, or deemed to have been imposed, or approved, by the Central Bank of Ireland pursuant to the MiFID II Regulations or the Central Bank Acts 1942 to 2018 of Ireland;

(c) otherwise than in conformity with the provisions of the Central Bank Acts 1942 to 2018 of Ireland and any codes of conduct or practice made under Section 117(1) of the Central Bank Act 1989 of Ireland

and any regulations issued pursuant to Part 8 of the Central Bank (Supervision and Enforcement) Act 2013 of Ireland;

(d) otherwise than in conformity with the provisions of the Prospectus (Directive 2003/71/EC) Regulations 2005 of Ireland;

(e) otherwise than in conformity with the provisions of the Companies Act 2014 of Ireland (the "**2014 Act**") and any rules made or guidelines issued under Section 1363 of the 2014 Act by the Central Bank of Ireland; and

(f) otherwise than in conformity with the provisions of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, the Market Abuse Directive on criminal sanctions for market abuse (Directive 2014/57/EU), the European Union (Market Abuse) Regulations 2016 of Ireland and any Irish market abuse law as defined in those Regulations or in the 2014 Act and any rules made or guidance issued by the Central Bank of Ireland in connection therewith (including any rules made or guidelines issued under Section 1370 of the 2014 Act by the Central Bank of Ireland).

References in this section to any legislation (including, without limitation, European Union legislation) shall be deemed to refer to such legislation as the same has been or may from time to time be amended, supplemented, consolidated or replaced and shall include reference to all implementing measures, delegated acts and guidance in respect thereof.

United States of America

The Securities have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Securities 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 U.S. person, subject to certain exemptions. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

The 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 the Securities (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of the Securities comprising the relevant Tranche as determined, and certified to the relevant Issuer or the Fiscal Agent by such Dealer (or, in the case of a sale of a Tranche of Securities to or through more than one Dealer, by each of such Dealers as to the Securities of such Tranche purchased by or through it in which case the Fiscal Agent or the relevant Issuer shall notify each such Dealer when all such Dealers have so certified) within the United States or to, or for the account or benefit of, U.S. persons. The Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will have sent to each dealer to which it sells Securities during the distribution

compliance period relating thereto 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 Regulation S.

In addition, until 40 days after the commencement of the offering, an offer or sale of 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 applicable exemption from registration under the Securities Act (if available).

United Kingdom

In relation to each Tranche of Securities, the Dealer subscribing for or purchasing such Securities represents to and agrees with the relevant Issuer, the Guarantor (where applicable) and each further Dealer appointed under the Programme will be required to represent and agree that:

(a) *No deposit-taking*: in relation to any Securities having a maturity of less than one year from the date of issue:

(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:

(A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or

(B) 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 Markets Act 2000 (as amended, the "**FSMA**") by the relevant Issuer;

(b) *Financial promotion*: 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 apply to the relevant Issuer or the Guarantor (where applicable); and

(c) *General compliance*: 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.

Republic of Italy

The offering of the Securities has not been registered and will not be registered with the Italian Financial Regulator (*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) if it is specified within the relevant Final Terms that a non-exempt offer may be made in the Republic of Italy, 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 (i) approved in another Relevant Member State and notified to CONSOB, and (ii) completed by final terms (if applicable) expressly contemplating such non-exempt offer, in an offer of financial products to the public in the period commencing on the date of approval of such prospectus, in accordance with the Prospectus Directive, as implemented in the Republic of Italy under the Italian Legislative Decree No. 58 of 24th February, 1998 as amended from time to time (the "**Italian Financial Services Act**") and CONSOB Regulation No. 11971 as amended from time to time ("**CONSOB Regulation No. 11971**"), until 12 months after the date of approval of such prospectus; or

(2) to "**Qualified Investors**" (*Investitori Qualificati*) as defined pursuant to article 100, paragraph 1(a) of Italian Financial Services Act, and in article 34-ter, paragraph 1(b) of CONSOB Regulation No. 11971; or

(3) in any other circumstances where an express applicable exemption from compliance with the restrictions on the offer of financial products to the public applies, as provided under the Italian Financial Services Act and/or CONSOB Regulation No. 11971 and any other applicable laws and regulations.

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 permitted to conduct such activities in the Republic of Italy in accordance with the Italian Financial Services Act, and CONSOB Regulation No. 20307 of 15 February 2018 (each as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the "**Banking Act**") and any other applicable laws and regulations;

(b) in compliance with Article 129 of the Banking Act, as amended, and the implementing guidelines of the Bank of Italy which came into force on 1 October 2016, as amended from time to time, pursuant to which the Bank of Italy requests periodic information on the issue or the offer of securities in the Republic of Italy to be provided by uploading such information on the Infostat platform of the Bank of Italy; and

(c) 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 Republic of Italy

Investors should also note that, in accordance with article 100-bis of the Italian Financial Services Act: in any subsequent distribution of the Securities in the Republic of Italy, Article 100-bis of Italian Financial Services Act may require compliance with the law relating to public offers of securities. Furthermore, if any of the Securities which have been initially placed with Qualified Investors in Italy or abroad are then systematically ("*sistematicamente*") resold to non-Qualified Investors at any time in the 12 months following such placing, such resale would qualify as an offer of securities to the public if no exemption under (3) above applies. Where this occurs, if a prospectus compliant with the Prospectus Directive has not been published, investors who purchase such Securities (who are acting outside of the course of their business or profession) may be entitled to obtain that the resale is declared null and void and the authorised entities ("*soggetti abilitati*" as defined in the Italian Financial Services Act) transferring the Securities may be held liable for any damages suffered by the investors.

Japan

The Securities have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended) and, accordingly, the Dealer has undertaken and each further Dealer appointed under the Programme will be required to undertake that it will not offer or sell any Securities directly or indirectly, in Japan or to, or for the benefit of, any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person except under circumstances which will result in compliance with all applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities and in effect at the relevant time. For the purposes of this paragraph, "**Japanese Person**" shall mean any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

GENERAL CONSENT — THE AUTHORISED OFFEROR TERMS

These terms (the "**Authorised Offeror Terms**") will be relevant in the case of any Tranche of Securities, if (and only if) Part B of the applicable Final Terms specifies "**General Consent**" as "**Applicable**". They are the Authorised Offeror Terms which will be referred to in the "**Acceptance Statement**" to be published on the website of any financial intermediary which (a) is authorised to make such offers under MiFID II and (b) accepts such offer by publishing an Acceptance Statement on its website.

1. General

The relevant financial intermediary:

(i) *Applicable Rules*: acts in accordance with all applicable laws, rules, regulations and guidance of any applicable regulatory bodies (the "**Rules**") including, without limitation and in each case, Rules relating to both the appropriateness or suitability of any investment in the Securities by any person and disclosure to any potential Investor;

(ii) *Subscription and sale*: complies with the restrictions set out under *"Plan of Distribution"* in this Base Prospectus which would apply as if it were a relevant Dealer and with any further relevant requirements as may be specified in the applicable Final Terms and consider the relevant manufacturer's target market assessment and distribution channels identified under the "MiFID II product governance" legend set out in the applicable Final Terms;

(iii) *Fees, commissions and benefits*: ensures that any fee, commission, benefits of any kind, rebate received or paid by that financial intermediary in relation to the offer or sale of the Securities does not violate the Rules and is fully and clearly disclosed to Investors or potential Investors;

(iv) *Licences, consents, approvals and permissions*: holds all licences, consents, approvals and permissions required in connection with solicitation of interest in, or offers or sales of, the Securities under the Rules;

(v) *Violation of Rules*: it will immediately inform the Issuer, the Guarantor and any relevant Dealer if at any relevant time it becomes aware or suspects that it is or may be in violation of any Rules;

(vi) *Anti-money laundering, bribery and corruption*: complies with, and takes appropriate steps in relation to, applicable anti-money laundering, anti-bribery, prevention of corruption and "know your client" Rules, and does not permit any application for Securities in circumstances where the financial intermediary has any suspicions as to the source of the purchase monies;

(vii) *Record-keeping*: retains investor identification records for at least the minimum period required under applicable Rules, and shall, if so requested and to the extent permitted by the Rules, make such records available to the Issuer, the Guarantor and the relevant Dealer or directly to the appropriate authorities with jurisdiction over the Issuer, the Guarantor and/or the relevant Dealer in order to enable the Issuer, the Guarantor and/or the relevant Dealer to comply with anti-money laundering, anti-bribery and

"know your client" Rules applying to the Issuer, the Guarantor and/or the relevant Dealer;

(viii) *Breach of Rules*: does not, directly or indirectly, cause the Issuer, the Guarantor or the relevant Dealer to breach any Rule or subject the Issuer, the Guarantor or the relevant Dealer to any requirement to obtain or make any filing, authorisation or consent in any jurisdiction;

(ix) *Publicity names*: does not use the legal or publicity names of the Issuer, the Guarantor or the relevant Dealer(s) or any other name, brand or logo registered by an entity within their respective groups or any material over which any such entity retains a proprietary interest or in any statements (oral or written), marketing material or documentation in relation to the Securities;

(x) *Information*: does not give any information other than that contained in this Base Prospectus (as may be amended or supplemented by the Issuer from time to time) or make any representation in connection with the offering or sale of, or the solicitation of interest in, the Securities;

(xi) *Communications*: agrees that any communication in which it attaches or otherwise includes any announcement published by the Issuer (via any relevant applicable methods) at the end of the Offer Period will be consistent with the Base Prospectus, and (in any case) must be fair, clear and not misleading and in compliance with the Rules and must state that such Authorised Offeror has provided it independently from the Issuer and must expressly confirm that the Issuer has not accepted any responsibility for the content of any such communication;

(xii) *Legal or publicity names*: does not use the legal or publicity names of the relevant Dealer, the Issuer or any other name, brand or logo registered by any entity within their respective groups or any material over which any such entity retains a proprietary interest or in any statements (oral or written), marketing material or documentation in relation to the Securities;

(xiii) *Any other conditions*: agrees to any other conditions set out in paragraph 12 of Part B of the relevant Final Terms.

2. Indemnity

The relevant financial intermediary agrees that if either of the Issuer or the Guarantor incurs any liability, damages, cost, loss or expense (including, without limitation, legal fees, costs and expenses and any value added tax thereon) (a "**Loss**") arising out of, in connection with or based on any inaccuracy of any of the foregoing representations and warranties or any breach of any of the foregoing undertakings then the relevant financial intermediary shall pay to the Issuer or the Guarantor (as the case may be) on demand an amount equal to such Loss.

3. Governing Law and Jurisdiction

The relevant financial intermediary agrees that:

(a) the contract between the Issuer, the Guarantor and the financial intermediary formed upon acceptance by the financial intermediary of the offer of the Issuer and the Guarantor to use this Base Prospectus with

their consent in connection with the relevant Public Offer (the "**Authorised Offeror Contract**"), and any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract, shall be governed by, and construed in accordance with, English law;

(b) the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Authorised Offeror Contract (including a dispute relating to any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract) and accordingly the relevant financial intermediary submits to the exclusive jurisdiction of the English courts;

(c) each relevant Dealer will, pursuant to the Contracts (Rights of Third Parties) Act 1999, be entitled to enforce those provisions of the Authorised Offeror Contract which are, or are expressed to be, for their benefit but, subject to this, a person who is not a party to the Authorised Offeror Contract has no right to enforce any term of the Authorised Offeror Contract; and

(d) the parties to the Authorised Offeror Contract do not require the consent of any person not a party to the Authorised Offeror Contract to rescind or vary the Authorised Offeror Contract at any time.

FORM OF FINAL TERMS

The Final Terms in respect of each Tranche of Securities will be in the following form completed to reflect the particular terms of the relevant Securities and their issue. Text in this section appearing in italics does not form part of the form of the Final Terms but denotes directions for completing the Final Terms.

[PRIIPs Regulation / Prospectus Directive / PROHIBITION OF SALES TO EEA RETAIL INVESTORS - The Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); (ii) a customer within the meaning of Directive (UE) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended or superseded the "**Prospectus Directive**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

[**MIFID II product governance / Professional investors and ECPs only target market** – [Solely for the purposes of [the/each] manufacturer's product approval process], the target market assessment in respect of the Securities has led to the conclusion that: (i) the target market for the Securities is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Securities to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. [*Consider to include information on the product approval process*]. Any person subsequently offering, selling or recommending the Securities (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Securities (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.] [*Consider to amend the legend above if necessary*] [4]

[**MIFID II product governance / Retail investors, professional investors and ECPs target market** – [Solely for the purposes of [the/each] manufacturer's product approval process,] the target market assessment in respect of the Securities has led to the conclusion that: (i) the target market for the Securities is eligible counterparties, professional clients and retail clients, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); ***EITHER*** [and (ii) all channels for distribution of the Securities are appropriate[, including investment advice, portfolio management, non-advised sales and pure execution services]] ***OR*** [(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of

[4] Include legend in case MiFID II target market assessment in respect of the Securities is "Professional Investors and Eligible Counterparties only".

the Securities to retail clients are appropriate - investment advice[,/ and] portfolio management[,/ and][non-advised sales][and pure execution services][, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]]. [*Consider any negative target market and amend the list if necessary*]. [*Consider to include information on the product approval process*]. Any person subsequently offering, selling or recommending the Securities (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Securities (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable] [*Consider to amend the legend above if necessary*].] [5]

Final Terms

[MEDIOBANCA - Banca di Credito Finanziario S.p.A.

Legal entity indentifier (LEI): PSNL19R2RXX5U3QWHI44/

MEDIOBANCA INTERNATIONAL (Luxembourg) S.A.

Legal entity indentifier (LEI): 549300DV870NBWY5W279]

[insert title of Securities]

[guaranteed in the case of Securities issued by MEDIOBANCA INTERNATIONAL (Luxembourg) S.A. by

MEDIOBANCA - Banca di Credito Finanziario S.p.A.]

under the

Issuance Programme

SERIES NO: [ ]

TRANCHE NO: [ ]

Issue Price: [ ] per [Security]

[Dealer(s)]

The date of these Final Terms is [ ]

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

[5] Include legend in case MiFID II target market assessment in respect of the Securities is "Retail Investor Target Market".

(i) in those Non-exempt Offer Jurisdictions mentioned in Paragraph 11 of Part B below, provided such person is a Dealer or an Authorised Offeror (as such term is defined in the Base Prospectus) and that the offer is made during the Offer Period specified in that paragraph and that any conditions relevant to the use of the Base Prospectus are complied with; or

(ii) otherwise] [6] 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 to supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer.

[Neither][None of] the Issuer [nor], [the Guarantor or] any Dealer has authorised, nor do they authorise, the making of any offer of Securities in any other circumstances.

[Investors should note that if a supplement to or an updated version of the Base Prospectus referred to below is published at any time during the Offer Period (as defined below), such supplement or updated base prospectus, as the case may be, will be published and made available in accordance with the arrangements applied to the original publication of these Final Terms. Any investors who have indicated acceptances of the Offer (as defined below) prior to the date of publication of such supplement or updated version of the Base Prospectus, as the case may be, (the "**Publication Date**") have the right within two working days of the Publication Date to withdraw their acceptances.][7]

PART A – CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 24 May 2019 [, [the][each] Supplement[s] to the Base Prospectus published and approved on or before the date of these Final Terms (copies of which are available as described below) and any other Supplement to the Base Prospectus which may have been published and approved before the issue of any additional amount of Securities (the "**Supplements**") (provided that to the extent any such Supplement (i) is published and approved after the date of these Final Terms and (ii) provides for any change to the Conditions of the Securities such changes shall have no effect with respect to the Conditions of the Securities to which these Final Terms relate)] which [together] constitute[s] a base prospectus for the purposes of Directive 2003/71/EC (the "**Prospectus Directive**") (the "**Base Prospectus**"). [The Base Prospectus has been passported into [•] in compliance with Article 18 of the Prospectus Directive.] This document constitutes the Final Terms of the Securities described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on [Mediobanca - Banca di Credito Finanziario S.p.A.]/[Mediobanca International (Luxembourg) S.A.] (the "**Issuer**") [, Mediobanca - Banca di Credito Finanziario S.p.A. (the "**Guarantor**")], [and the offer][and/or] [listing] of the Securities is only available on the basis of the combination of these Final Terms and the Base Prospectus. [A summary of the Securities (which comprises the Summary in the Base Prospectus as amended to reflect the provisions of these Final Terms) is annexed to these Final Terms.] **[The Base Prospectus [and any Supplement(s) to the Base Prospectus] [and**

[6] Include this wording where a non-exempt offer of Securities is anticipated.

[7] Include in respect of issues of Securities where the public offer period spans a supplement to the Base Prospectus or an update to the Base Prospectus.

these Final Terms] [is/are] available for viewing at [address] [and] [website] and copies may be obtained free of charge from [address].]]

[*The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus dated 24 May 2018*.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Base Prospectus dated 24 May 2018[, [the][each] Supplement[s] to the Base Prospectus published and approved on or before the date of these Final Terms (copies of which are available as described below) and any other Supplement to the Base Prospectus which may have been published and approved before the issue of any additional amount of Securities (the "**Supplements**") (provided that to the extent any such Supplement (i) is published and approved after the date of these Final Terms and (ii) provides for any change to the Conditions of the Securities such changes shall have no effect with respect to the Conditions of the Securities to which these Final Terms relate)] which are incorporated by reference in the Base Prospectus dated 24 May 2019. This document constitutes the Final Terms of the Securities described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus dated 24 May 2019 [and any Supplement[s] to it], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (the "**Base Prospectus**"), including the Conditions incorporated by reference in the Base Prospectus. Full information on [Mediobanca - Banca di Credito Finanziario S.p.A.]/[Mediobanca International (Luxembourg) S.A.] (the "**Issuer**") [, Mediobanca - Banca di Credito Finanziario S.p.A. (the "**Guarantor**")], [and the offer] [and/or] [listing] of the Securities is only available on the basis of the combination of these Final Terms and the Base Prospectus. [A summary of the Securities (which comprises the Summary in the Prospectus as amended to reflect the provisions of these Final Terms) is annexed to these Final Terms.] **[The Base Prospectus [and any Supplement(s) to the Base Prospectus] [and these Final Terms] [is/are] available for viewing at [address] [and] [website] and copies may be obtained free of charge from [address].]]**

[*The following alternative language applies in respect of issues of Securities where the public offer period spans a supplement to the Base Prospectus or an update to the Base Prospectus*

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Base Prospectus dated 24 May 2019 [,[the][each] Supplement[s] to the Base Prospectus published and approved on or before the date of these Final Terms (copies of which are available as described below)] [notwithstanding the publication and approval of any [other] Supplement to the 2019 Base Prospectus (each a "**2019 Future Supplement**") which may have been published and approved ([together,] the "**2019 Base Prospectus**")] after the date of these Final Terms and before the issue of the Securities to which these Final Terms relate)] [and/or] [an updated Base Prospectus (any Supplement(s) thereto, each a "**2020 Future Supplement**"), which will replace the 2019 Base Prospectus (the "**2020 Base Prospectus**")] (the date of any such publication and approval, each a "**Publication Date**"). This document constitutes the Final Terms of the Securities described herein for the purposes of Article 5.4 of the Prospectus Directive and [(i) prior to any Publication Date, must be read in conjunction with the 2019 Base Prospectus, or (ii)] on and after any Publication Date must be read in conjunction with [the 2019 Base Prospectus, as supplemented by any 2019

Future Supplement as at such date] [or, as applicable,] [the 2020 Base Prospectus, as supplemented by any 2020 Future Supplement as at such date],] save in respect of the Conditions which are extracted from the 2019 Base Prospectus. The 2019 Base Prospectus, as supplemented, constitutes [, and the 2020 Base Prospectus will constitute,] a base prospectus for the purposes of the Prospectus Directive. Full information on [Mediobanca - Banca di Credito Finanziario S.p.A.]/[Mediobanca International (Luxembourg) S.A.] (the "**Issuer**") [,Mediobanca - Banca di Credito Finanziario S.p.A. (the "**Guarantor**")], [and the offer][and/or] [listing] of the Securities is only available on the basis of the combination of these Final Terms and [(i) prior to any Publication Date, the 2019 Base Prospectus, or (ii)] [on or after any Publication Date, [the 2019 Base Prospectus, as supplemented by any 2019 Future Supplement as at such date] [or, as applicable,] [the 2020 Base Prospectus, as supplemented by any 2020 Future Supplement as at such date], save in respect of the Conditions which are extracted from the 2019 Base Prospectus. [The Issuer has in the 2019 Base Prospectus given consent to the use of the 2019 Base Prospectus in connection with the offer of the Securities. Such consent will be valid until the date that is twelve months following the date of the 2019 Base Prospectus. The Issuer will in the 2020 Base Prospectus give consent to the use of the 2019 Base Prospectus in connection with the offer of the Securities.] [**The 2019 Base Prospectus [, as supplemented,] [and these Final Terms] [is/are] available[, and the 2020 Base Prospectus will be available] for viewing at [address] [and] [website] and copies may be obtained free of charge from [address].]**

[Pursuant to Regulation EU 2016/1011 the Issuer produces and maintains plans setting out the actions to take in the event that the [*include the name of the relevant Benchmark*] materially changes or ceases to be provided. Details of the plans may be provided upon written request.]

[*Include whichever of the following apply or specify as "Not applicable" (N/A). Note that the numbering should remain as set out below, even if "Not applicable" is indicated for individual paragraphs or sub paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote directions for completing the Final Terms. However, such numbering may change where individual paragraphs or sub-paragraphs are removed.*]

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

[*When completing any final terms 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*]

[If the Securities have a maturity of less than one year from the date of their issue, the minimum redemption value may need to be £100,000 or its equivalent in any other currency.]

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

SPECIFIC PROVISIONS FOR EACH SERIES

SERIES NUMBER	NO. OF SECURITIES ISSUED	NO. OF SECURITIES	ISIN	COMMON CODE	[CFI	[FISN	ISSUE PRICE PER SECURITY	[CALL/PUT	[[SCHEDULED]] [SETTLEMENT DATE]	[PARITY	[*Insert other itendifier code or variable]*
[•]	[•]	[Up to] [•]	[•]	[•]	[•]	[•]	[[insert currency][•]]/[[•]% of the Notional Amount]	[call/put]	[•]/[Open End][8]	[•]	[•]

(*Repeat for each Series as necessary*)

(*Where the Final Terms cover more than one series of Securities, the table above should be completed for all vabiables which will differ across the different series of Securities. The relevant line item for any such variable in the General Provisions below should include the following language: "See the Specific Provisions for each Series above*".)]

GENERAL PROVISIONS

The following terms apply to each series of Securities:

1.	Issuer:	[Mediobanca - Banca di Credito Finanziario S.p.A.]/[Mediobanca International (Luxembourg) S.A.]
2.	Guarantor:	[Mediobanca - Banca di Credito Finanziario S.p.A.] [Not applicable]
3.	Series Number	[*specify*]
4.	Tranche Number:	[*specify*]
5.	Issue Currency:	[*specify*]
6.	Notional Amount of Security:	[*specify* /[Not applicable]].
	Aggregate Notional Amount	[*specify*] (*The Aggregate Notional Amount of*

[8] Include for Open Ended Securities

		Certificates is equal to the number of Certificates issued multiplied by the Notional Amount of each Certificate)
7.	Issue Price per Security	[*specify*]
8.	Trade Date:	[*specify*]
9.	Issue Date [and [Remuneration Commencement Date][9]:	[*specify*]
10.	[Date [Board] of approval for issuance of Securities [and Guarantee] obtained:	[Not applicable] [ ] [and [ ], respectively]] (*N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Securities or related guarantee of the Securities*)
11.	Consolidation:	[Not applicable] [The Securities are to be consolidated and form a single series with the [*insert title of relevant series of Securities*] issued on [*insert issue date*] with effect from [*insert date on which the Securities become fungible*].] (*N.B. Only applicable in relation to Securities which are fungible with an existing series of Securities*)
12.	Type of Securities:	(a) Certificates. (b) The Securities are [Index Securities/Share Securities/ETI Securities/Debt Securities/Commodity Securities /Inflation Index Securities/Currency Securities/Fund Securities/Futures Securities/Underlying Interest Rate Securities/Credit Securities/Hybrid Securities/]].

[9] In the case of Certificates which pay remuneration and the Remuneration Commencement Date is the Issue Date.

[(c) Open End: Applicable]

[The provisions of Annex 2 (Additional Terms and Conditions for Index Securities) shall apply.] [The provisions of Annex 3 (Additional Terms and Conditions for Share Securities) shall apply.] [The provisions of Annex 4 (Additional Terms and Conditions for ETI Securities) shall apply.] [The provisions of Annex 5 (Additional Terms and Conditions for Debt Securities) shall apply.] [The provisions of Annex 6 (Additional Terms and Conditions for Commodity Securities) shall apply.] [The provisions of Annex 7 (Additional Terms and Conditions for Inflation Index Securities) shall apply.] [The provisions of Annex 8 (Additional Terms and Conditions for Currency Securities) shall apply.] [The provisions of Annex 9 (Additional Terms and Conditions for Fund Securities) shall apply.] [The provisions of Annex 10 (Additional Terms and Conditions for Futures Securities) shall apply.] [The provisions of Annex 11 (Additional Terms and Conditions for Underlying Interest Rate Securities) shall apply] [The provisions of Annex 12 (Additional Terms and Conditions for Credit Securities) shall apply.] [The provisions of Annex [2/3/4/6/8/10[10]] (*Additional Terms and Conditions for [Index/Share/ETI/Commodity/Currency/Futures] Securities*) and Annex 13 (Additional Terms and Conditions for OET Certificates) shall apply.]

[Unwind Costs: [Applicable]/[Not applicable]]

[Essential Trigger: Applicable]

[10] For OET Certificates include relevant Annex and complete relevant section for Index/Share/Commodity/Currency/Futures Securities and include Annex 13 (*Additional Terms and Conditions for OET Certificates*) and complete paragraph 41 as appropriate.

13.	Exercise Date	[The Exercise Date is [*specify*]] or, if [any] such day is not a Business Day, the immediately [preceding/succeeding] Business Day].]
14.	Form of Securities:	[Temporary Global Security exchangeable for a Permanent Global Security which is exchangeable for Definitive Securities only in the limited circumstances specified in the Permanent Global Security] [Temporary Global Security exchangeable for Definitive Securities on or after the Exchange Date] [Permanent Global Security exchangeable for Definitive Securities only in the limited circumstances specified in the Permanent Global Security][TEFRA C Rules shall apply.] [TEFRA D Rules shall apply.] [The Securities will be issued and held in dematerialised form by [*Monte Titoli S.p.A. ("**Italian Dematerialised Securities**")/ include the name of any other custodian appointed by the relevant Issuer*], as Centralised Custodian.]
15.	Business Day Centre(s):	The applicable Business Day Centre[s] for the purposes of the definition of "Business Day" in Security Condition 3 [is/are] [●].
16.	Settlement:	Settlement will be by way of [cash payment (Cash Settled Securities)] [and/or] [physical delivery (Physical Delivery Securities)]. (*N.B. Italian Dematerialised Securities may only be Cash Settled Securities*) [Issuer's Option to Substitute: Not applicable]
17.	Settlement Date:	[Not applicable] [specify] [The settlement date for the Securities is [ ] [the [ ]th Business Day following the Valuation Date] [as adjusted in accordance with the

		[Modified Following] [Following] [Preceding] [Modified Preceding] Business Day Convention].]]
18.	Rounding Convention for Cash Settlement Amount:	[Rounding Convention 2]/[Not applicable]
19.	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 Securities. (*N.B. the Issuer's option to vary settlement is not applicable to Italian Dematerialised Securities*) (*N.B. If the Issuer does not have the option to vary settlement in respect of the Securities, delete the sub-paragraphs of this paragraph 20*)
	(b) [Variation of Settlement of Physical Delivery Securities:	Notwithstanding the fact that the Securities are Physical Delivery Securities, the Issuer may make payment of the Cash Settlement Amount on the Settlement Date and the provisions of Security Condition 4.3 will apply to the Securities/The Issuer will procure delivery of the Entitlement in respect of the Securities and the provisions of Security Condition 4.3 will not apply to the Securities.]
20.	Redenomination:	[Applicable][Not applicable]
21.	FX Settlement Disruption Event Determination:	[Applicable][Not applicable] [FX Settlement Disruption Expenses: Not applicable]
22.	Cash Settlement:	[Applicable] [Not applicable] (*N.B. Only applicable in relation to Cash Settled Securities.*)
	(i) Guaranteed Cash Settlement	[Not applicable] [ ] [As specified in Security

	Amount:	Condition 2]
(ii)	Maximum Amount	[Not applicable] [ ]
(iii)	Minimum Amount	[Not applicable] [ ]

23. Final Payout

(*in case the relevant Final Payout contain an "Additional Final Payout" and/or an "Additional Final Payout 1" and/or an "Additional Final Payout 2", repeat all the relevant items in the Final Terms necessary to calculate such additional final payouts*)

(*in case the Payout Switch is specified as applicable, repeat all the relevant items in the Final Terms necessary to calculate such Switched Payout*)

[SFP Payouts

[[Capital Protection Securities:

[Single Final Payout - Protected Securities

[*Insert related provisions from Formulas Condition 1.1 (a).*]]

[Single Final Payout - Protected Capped Securities]

[*Insert related provisions from Formulas Condition 1.1(b).*]]]

[Yield Enhancement Securities:

[Single Final Payout - Parity and Exchange Securities

[*Insert related provisions from Formulas Condition*

1.1(c).]]

[Single Final Payout – Double Coupon Securities

[*Insert related provisions from Formulas Condition 1.1(d).*]]

[Single Final Payout - Continuous Double Coupon Securities

[*Insert related provisions from Formulas Condition 1.1(e).*]]

[Single Final Payout- Leveraged Capped Securities

[*Insert related provisions from Formulas Condition 1.1(f).*]]

[Single Final Payout - Knock-Out Leveraged Capped Securities

[*Insert related provisions from Formulas Condition 1.1(g).*]]

[Single Final Payout - Strike-Out Leveraged Capped Securities

[*Insert related provisions from Formulas Condition 1.1(h).*]]

[Single Final Payout - Capped Speed Securities

[*Insert related provisions from Formulas Condition 1.1(i).*]]

[Single Final Payout - Capped Bonus Parity Exchange Securities

[*Insert related provisions from Formulas Condition*

1.1(j).]]

[Single Final Payout - Capped Bonus Securities

[*Insert related provisions from Formulas Condition 1.1(k).*]]

[Single Final Payout - Reverse Capped Securities

[*Insert related provisions from Formulas Condition 1.1(l).*]]

[Single Final Payout - Continuous Capped Bonus Parity Exchange Securities

[*Insert related provisions from Formulas Condition 1.1(m).*]]

[Single Final Payout - Continuous Capped Bonus Securities

[*Insert related provisions from Formulas Condition 1.1(n).*]]

[Single Final Payout - Standard Express Securities

[*Insert related provisions from Formulas Condition 1.1(o).*]]

[Single Final Payout – Continuous Reverse Level Parity Exchange Securities

[*Insert related provisions from Formulas Condition 1.1(p).*]]

[Single Final Payout - Standard Step Memory Securities

[*Insert related provisions from Formulas Condition*

1.1(q).]]

[Single Final Payout - Standard Memory Securities

[*Insert related provisions from Formulas Condition 1.1(r).*]]]

[Participation Securities:

[Single Final Payout - Forex DivReinvested Fees Securities

[*Insert related provisions from Formulas Condition 1.1(s).*]]

[Single Final Payout - Continuous Bonus Floored Exchange Parity Securities

[*Insert related provisions from Formulas Condition 1.1(t).*]]

[Single Final Payout - Continuous Bonus Floored Securities

[*Insert related provisions from Formulas Condition 1.1(u).*]]

[Single Final Payout - Continuous Capped Reverse Level Parity Exchange Securities

[*Insert related provisions from Formulas Condition 1.1(v).*]]

[Single Final Payout - Upside and Downside Securities

[*Insert related provisions from Formulas Condition*

1.1(w).]]

[Single Final Payout - Capped Upside and Downside Securities

[*Insert related provisions from Formulas Condition 1.1(x).*]]

[Single Final Payout - Continuous Bonus Barrier Securities

[*Insert related provisions from Formulas Condition 1.1(y).*]]

[Single Final Payout - Capped Continuous Bonus Barrier Securities

[*Insert related provisions from Formulas Condition 1.1(z).*]]]

[Leverage Securities:

[Single Final Payout - Lower Collared Knock-Out Securities

[*Insert related provisions from Formulas Condition 1.1(aa).*]]

[Single Final Payout - Upper Collared Knock-Out Securities

[*Insert related provisions from Formulas Condition 1.1(bb).*]]

[Single Final Payout - Continuous Lower Knock-Out Securities

[*Insert related provisions from Formulas Condition 1.1(cc).*]]

[Single Final Payout - Continuous Upper Knock-Out Securities

[*Insert related provisions from Formulas Condition 1.1(dd).*]]

[Single Final Payout – Standard Call and Put Securities

[*Insert related provisions from Formulas Condition 1.1(ee).*]]

[Single Final Payout - Knock-In Call and Put Securities

[*Insert related provisions from Formulas Condition 1.1(ff).*]]

[Single Final Payout - Capitalised Call and Put Securities

[*Insert related provisions from Formulas Condition 1.1(gg).*]]]

[Constant Leverage Securities:

[Single Final Payout - Leverage Factor Securities

[*Insert related provisions from Formulas Condition 1.1(hh).*]]]]

[MFP Payouts

[Multiple Final Payout – Constant Percentage Securities:

[Multiple Final Payout – Constant Percentage Securities

[*Insert related provisions from Formulas Condition*

1.1(ii).]]

[Multiple Final Payout – Normal Performance Securities:

[Multiple Final Payout – Normal Performance Securities

[*Insert related provisions from Formulas Condition 1.1(jj).*]]

Multiple Final Payout - Performance Differential Securities:

[Multiple Final Payout - Performance Differential Securities:

[*Insert related provisions from Formulas Condition 1.1(kk).*]]

[Multiple Final Payout – 1-Way Floor Securities

[*Insert related provisions from Formulas Condition 1.1(ll).*]]

[Multiple Final Payout – 1-Way Cap Securities

[*Insert related provisions from Formulas Condition 1.1(mm).*]]

[Multiple Final Payout – 2-Way Securities:

[*Insert related provisions from Formulas Condition 1.1(nn).*]]

[Multiple Final Payout – Reverse Convertible Securities:

[Multiple Final Payout – KI –Reverse Convertible

Securities:

[*Insert related provisions from Formulas Condition 1.1(oo)(i).*]]

[Multiple Final Payout – KI – Extended Reverse Convertible Securities:

[*Insert related provisions from Formulas Condition 1.1(oo)(ii).*]]

[Multiple Final Payout – KO – Extended Reverse Convertible Securities:

[*Insert related provisions from Formulas Condition 1.1(oo)(iii).*]]

[Multiple Final Payout – KO –Reverse Convertible Securities:

[*Insert related provisions from Formulas Condition 1.1(oo)(iv).*]]

[Multiple Final Payout – Vanilla KI Reverse Convertible Securities:

[*Insert related provisions from Formulas Condition 1.1(oo)(v).*]]

[Multiple Final Payout – Vanilla KO Reverse Convertible Securities:

[*Insert related provisions from Formulas Condition 1.1(oo)(vi).*]]

[Multiple Final Payout –KIKO Reverse Convertible Securities:

[*Insert related provisions from Formulas Condition*

1.1(oo)(vii).]]

[Multiple Final Payout - Vanilla Securities:

[Multiple Final Payout – Plain Vanilla Call Securities:

[*Insert related provisions from Formulas Condition 1.1(pp)(i).*]]

[Multiple Final Payout – Plain Vanilla Call Spread Securities:

[*Insert related provisions from Formulas Condition 1.1(pp)(ii).*]]

[Multiple Final Payout – Plain Vanilla Put Securities:

[*Insert related provisions from Formulas Condition 1.1(pp)(iii).*]]

[Multiple Final Payout – Plain Vanilla Put Spread Securities:

[*Insert related provisions from Formulas Condition 1.1(pp)(iv).*]]

[Multiple Final Payout – Plain Vanilla KI Digital Securities:

[*Insert related provisions from Formulas Condition 1.1(pp)(v).*]]

[Multiple Final Payout – Plain Vanilla KO Digital Securities:

[*Insert related provisions from Formulas Condition 1.1(pp)(vi).*]]

[Multiple Final Payout – Geared Knock-in Vanilla

Call Securities:

[*Insert related provisions from Formulas Condition 1.1(pp)(vii).*]]

[Multiple Final Payout – Geared Knock-out Vanilla Call Securities:

[*Insert related provisions from Formulas Condition 1.1(pp)(viii).*]]

[Multiple Final Payout - Asian Securities:

[Multiple Final Payout – Standard Asian Securities:

[*Insert related provisions from Formulas Condition 1.1(qq)(i).*]]

[Multiple Final Payout – Standard Collared Asian Spread Securities:

[*Insert related provisions from Formulas Condition 1.1(qq)(ii).*]]

[Multiple Final Payout Standard Himalaya Securities:

[*Insert related provisions from Formulas Condition 1.1(rr).*]]

[Multiple Final Payout – Dispersion Securities:

[*Insert related provisions from Formulas Condition 1.1(ss).*]]

[Multiple Final Payout - Step Securities:

[Multiple Final Payout - 3-Step Knock-in Securities:

[*Insert related provisions from Formulas Condition 1.1(tt)(i).*]]

[Multiple Final Payout - 3-Step Plus Knock-in Securities:

[*Insert related provisions from Formulas Condition 1.1(tt)(ii).*]]

[Multiple Final Payout - 3-Step Knock-out Securities:

[*Insert related provisions from Formulas Condition 1.1(tt)(iii).*]]

[Multiple Final Payout - 3-Step Plus Knock-out Securities:

[*Insert related provisions from Formulas Condition 1.1(tt)(iv).*]]

[Multiple Final Payout – 4-Step Securities:

[*Insert related provisions from Formulas Condition 1.1(tt)(v).*]]

[Multiple Final Payout - Standard 3-Step Knock-in Securities:

[*Insert related provisions from Formulas Condition 1.1(tt)(vi).*]]

[Multiple Final Payout - Standard 3-Step Knock-out Securities:

[*Insert related provisions from Formulas Condition 1.1(tt)(vii).*]]

[Multiple Final Payout - Standard 2-Step Barrier

Down Securities:

[*Insert related provisions from Formulas Condition 1.1(tt)(viii).*]]

[Multiple Final Payout - Standard 2-Step Barrier Up Securities:

[*Insert related provisions from Formulas Condition (tt)(ix).*]]

[Multiple Final Payout - 2-Step Knock-in Securities:

[*Insert related provisions from Formulas Condition 1.1(tt)(x).*]]

[Multiple Final Payout - 2-Step Knock-out Securities:

[*Insert related provisions from Formulas Condition 1.1(tt)(xi).*]]

[**Multiple Final Payout - Performance Securities:**

[Multiple Final Payout - Geared Call Performance Securities:

[*Insert related provisions from Formulas Condition 1.1(uu)(i).*]]

[Multiple Final Payout - Multi Performance Securities:

[*Insert related provisions from Formulas Condition 1.1(uu)(ii).*]]

[Multiple Final Payout – (Capped) Multi Knock-Out Bonus Performance Securities:

[*Insert related provisions from Formulas Condition 1.1(uu)(iii).*]]

[Multiple Final Payout – (Capped) Multi Knock-In Bonus Performance Securities:

[*Insert related provisions from Formulas Condition 1.1(uu)(iv).*]]

[Multiple Final Payout – 2–Step KI Multi Bonus Securities:

[*Insert related provisions from Formulas Condition 1.1(uu)(v).*]]

[Multiple Final Payout – 3–Step Multi Bonus Securities:

[*Insert related provisions from Formulas Condition 1.1(uu)(vi).*]]

[Multiple Final Payout – 3–Step Flexi Bonus Securities:

[*Insert related provisions from Formulas Condition 1.1(uu)(vii).*]]

[Multiple Final Payout – (Capped) Knock-Out Bonus Performance Securities:

[*Insert related provisions from Formulas Condition 1.1(uu)(viii).*]]

[Multiple Final Payout – (Capped) Knock – In Bonus Performance Securities:

[*Insert related provisions from Formulas Condition 1.1(uu)(ix).*]]

[Multiple Final Payout – Leveraged Performance Securities:

[*Insert related provisions from Formulas Condition 1.1(uu)(x).*]]

[Multiple Final Payout – Twin -Win Securities:

[*Insert related provisions from Formulas Condition 1.1(vv).*]]

[Multiple Final Payout – Knock-In Outperformance Securities:

Insert related provisions from Formulas Condition 1.1(ww).]]

[Multiple Final Payout – Flexi Performance Securities:

Insert related provisions from Formulas Condition 1.1(xx).]]

[Multiple Final Payout – Hyper-Flexi Performance Securities:

Insert related provisions from Formulas Condition 1.1(yy).]]

[Multiple Final Payout – Flexi Knock-In Performance Securities:

Insert related provisions from Formulas Condition 1.1(zz).]]

[Multiple Final Payout – Flexi Knock-Out Performance Securities:

Insert related provisions from Formulas Condition 1.1(aaa).]]

[Multiple Final Payout – Hyper-Flexi Knock-In

Performance Securities:

Insert related provisions from Formulas Condition 1.1(bbb).]]

[Multiple Final Payout – Hyper-Flexi Knock-Out Performance Securities:

Insert related provisions from Formulas Condition 1.1(ccc).]]]

[Multiple Final Payout – Hyper-Flexi Multi Knock-In Performance Securities:

Insert related provisions from Formulas Condition 1.1(ddd).]]]

[Multiple Final Payout – Hyper-Flexi Multi Knock-out Performance Securities

Insert related provisions from Formulas Condition 1.1(eee).]]]

[**Multiple Final Payout – Capped and Floored Ratchet Securities:**

[*Insert related provisions from Formulas Condition 1.1(fff).*]]

[**Multiple Final Payout – Weighted Mixed Payouts Securities:**

[*Insert formula and related provisions from Formulas Condition 1.1(ggg).*]]

[**Multiple Final Payout – Knock-In Mixed Payouts Securities:**

[*Insert formula and related provisions from Formulas*

Condition 1.1(hhh).]]

[**Multiple Final Payout – Knock-out Mixed Payouts Securities:**

[*Insert related provisions from Formulas Condition 1.1(iii).*]]

[**Multiple Final Payout – Max Mixed Payouts Securities:**

[*Insert related provisions from Formulas Condition 1.1(jjj).*]]

[**Multiple Final Payout – Leveraged Securities:**

[*Insert related provisions from Formulas Condition 1.1(kkk).*]]

[Single Fixed Income (FI) Final Payouts

[**Single FI FX Vanilla Securities:**

[*Insert formula and related provisions from Formulas Condition 1.1(lll).*]]

[**Single FI Digital Floor Securities:**

[*Insert related provisions from Formulas Condition 1.1(mmm).*]]

[**Single FI Digital Cap Securities:**

[*Insert related provisions from Formulas Condition 1.1(nnn).*]]

[**Single FI Digital Plus Securities:**

[*Insert related provisions from Formulas Condition 1.1(ooo).*]]

[**Continuous FX Wedding Cake Securities:**

[*Insert related provisions from Formulas Condition 1.1(ppp).*]]

[**Single FI Inflation Securities:**

[*Insert formula and related provisions from Formulas Condition 1.1*(*qqq*).]]

[Payout Switch:	[Applicable / Not applicable]
• Payout Switch Election	[Applicable / Not applicable] [*If applicable Insert related provisions from Conditions*]
• Automatic Payout Switch	[Applicable / Not applicable] [*If applicable Insert related provisions from Conditions*]
24. Entitlement:	[Applicable/Not applicable/Physical Delivery Option [1/2/3]] [MFP Entitlement Amounts: Applicable] (a) [The Entitlement Amount in relation to each Security is: [an amount equal to [•]] [Entitlement Units; multiplied by the Entitlement Multiplier; [multiplied by the Weighting]; (*if MFP Entitlement Amounts is not Applicable*)]

[Delivery of Worst-Performing Underlying applicable:

[*Insert related provisions from Formulas Condition 6.1(a).*]]

[Delivery of Best-Performing Underlying applicable:

[*Insert related provisions from Formulas Condition 6.1(b).*]]

[Delivery of the Underlying applicable:

[*Insert related provisions from Formulas Condition 6.1(c).*]]

(b) [Relevant Asset(s): [The relevant asset to which the Securities relate [is/are] [•].]/[Not applicable] (*N.B. Only applicable in relation to Physical Delivery Securities that are not Credit Securities*)]

(c) [Entitlement Units: [[ ] unit[s] of the Relevant Asset[s] relating to the [Component which is [ ]] [Underlying Reference] (*where the intention is to deliver a basket, insert details of the units of the Relevant Asset[s] relating to each Component*); [ ]/ [Not applicable] (*Not applicable where Entitlement stated above and definition not required. Where Entitlement Units are included, insert Entitlement Multiplier below where relevant*)]

(d) [Entitlement Multiplier: [ ] [The quotient of [the Notional Amount] [100] [ ] (as numerator) and the Strike Level (as denominator) / [Not applicable] (*Not*

applicable where Entitlement stated above and definition not required. Where Entitlement Units are included, insert Entitlement Multiplier where relevant]

(e) [The Entitlement will be evidenced by [*insert details of how the Entitlement will be evidenced*].]

(f) [The Entitlement will be [delivered] [Delivered] [*insert details of the method of delivery of the Entitlement*].]

(*N.B. Only applicable in relation to Physical Delivery Securities*)

25. [Exchange Rate][11]/[Conversion Rate][12]

[The applicable rate of exchange for conversion of any amount into the relevant [settlement currency]/[Settlement Currency or Calculation Currency, as applicable][13] for the purposes of determining the [Settlement Price (as defined in the relevant Annex to the Terms and Conditions)[,] [or] the Cash Settlement Amount (as defined in Security Condition 3)[,] [or] [the Automatic Early Settlement Amount (as defined in Condition 17.5)] [,] [or][the Remuneration Amount(s)] is [*insert rate of exchange and details of how and when such rate is to be ascertained*]/[*specify*]/[As specified in the OET Certificate Conditions]/[Not applicable].

26. Settlement Currency:

[[Dual Currency Certificates: Applicable.] The settlement currency for the payment of [the Cash Settlement Amount] (*in the case of Cash Settled Securities*)/[the Settlement Disruption Amount] (*in the case of Physical Delivery Securities*) is [●].

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[11] Applicable for Securities other than OET Certificates.

[12] Applicable for OET Certificates.

[13] Insert where Single Final Payout – Leverage Factor Securities is applicable

		[Settlement Currency Barrier Selection: [Applicable/Not applicable] [*If Settlement Currency Barrier Selection is applicable:* Applicable to: [Cash Settlement Amount] [and] [[Remuneration Amount]] First Settlement Currency: [*specify*] Second Settlement Currency: [*specify*] Settlement Currency Barrier Condition: [Less than]/[Less than or equal to]/[Greater than]/[Greater than or equal to] Settlement Price Date(s): [*specify*] Settlement Currency Barrier Rate(s): [*specify*]]
27.	Calculation Agent:	The Calculation Agent is [ ] / (*specify other*). [*Insert address of Calculation Agent*]
28.	Governing law:	[English/Italian] law. [Articles 470-1 to 470-19 of the Luxembourg law dated 10 August 1915 on commercial companies, as amended, are not applicable to the Securities.]

PRODUCT SPECIFIC PROVISIONS

29.	Hybrid Securities:	[Applicable/Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)

[If applicable:

(a) The Securities are linked to each of the types of Underlying Reference (each a "**Type of Underlying Reference**") set out in the table below. The terms and conditions of the Securities will be construed on the basis that in respect of each separate Type of Underlying Reference, the relevant terms applicable to each such separate Type of Underlying Reference will apply, as the context admits, separately and independently in respect of the relevant Type of Underlying Reference[, subject as provided in (b) below].

[*Include each Type of Underlying Reference*]

	Type of Underlying Reference
[●]	[See item [●]]
[●]	[See item [●]]
[●]	[See item [●]]

(b) Hybrid Business Day [Applicable/Not applicable]

[if applicable:

"**Hybrid Business Day**" means a day which is a Scheduled Trading Day (as defined in the relevant Annex and completed in the applicable Final Terms) for each Type of Underlying Reference specified in the applicable Final Terms

[*If Hybrid Business Day is applicable, each*

date for valuation (e.g. valuation date, averaging date, observation date etc.) which is the subject of the Hybrid Securities provisions should be expressed to be "[●] or if that is not a Hybrid Business Day the immediately [succeeding/preceding] Hybrid Business Day"]]

30.	Index Securities:		[Applicable/Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(a)	Index/Basket of Indices/Index Sponsor(s):	[*specify name of Index/Indices*] [*specify name of Index Sponsor(s)*] [The [●] Index is a [Component Security]/[Multi-Exchange] Index.][14]
	(b)	Index Currency:	[*specify*]
	(c)	Exchange(s):	[*specify*]
	(d)	Related Exchange(s):	[*specify*]/[All Exchanges]
	(e)	Exchange Business Day:	[Single Index Basis/All Indices Basis/Per Index Basis] [Exchange/Related Exchange: Applicable]
	(f)	Scheduled Trading Day:	[Single Index Basis/All Indices Basis/Per Index Basis] [Exchange/Related Exchange: Applicable] (*must match election made for Exchange Business Day*)

[14] Specify each Component Security Index and/or Multi-Exchange Index (if any).

(g)	Weighting:	[The weighting to be applied to each item comprising the Basket of Indices to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment in accordance with Annex 2]/[*specify other*].]/[Not applicable] (*N.B. Only applicable in relation to Securities relating to a Basket of Indices*)]
(h)	Settlement Price:	[Official opening level]/[Official closing level]/[level at the Valuation Time]/[Index Securities Condition 5 (*Futures Price Valuation*) applies] [First Traded Price Applicable]
(i)	Specified Maximum Days of Disruption:	[*specify*] Scheduled Trading Days].
(j)	Valuation Time:	[Continuous monitoring [*specify other*] and the relevant time on the relevant Settlement Price Date or Averaging Date, as the case may be, is [the Valuation Time].] [*specify*].] (*N.B. If no Valuation Time is specified, the Valuation Time will be the Scheduled Closing Time as defined in Security Condition 3.*).
(k)	Settlement on Occurrence of an Index Adjustment Event:	[Delayed Settlement on Occurrence of an Index Adjustment Event: [Applicable/Not applicable] [*If applicable:* Principal Protected Termination Amount: [Applicable/Not applicable]] [Highest Value: [Applicable/Not applicable]] [Market Value: [Applicable/Not applicable]] [Monetisation Option: [Applicable/Not applicable]] [*If Principal Protected Termination Amount, Highest*

		Value or Monetisation Option are applicable: Protected Amount: [*specify*] per cent. of the Notional Amount]
		[If the Calculation Agent determines an Index Adjustment Event constitutes a force majeure, Index Security Condition 3.2(c)(vi) applies]
(l)	Index Correction Period:	[As per Index Security Condition 5.1/*specify*]
(m)	Futures Price Valuation:	[Applicable/Not applicable]
		(*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Rolling Futures Contract Securities:	[Yes/No]
		[Related Hedging: Not applicable]
	(ii) Exchange-traded Contract:	[*specify*]/[*If the Index Securities are Rolling Futures Contract Securities:* Index Security Condition 5.2 applies]
	(iii) Delivery or expiry month:	[*specify*]/[Not applicable]
		(*Not applicable in the case of Index Securities that are Rolling Futures Contract Securities*)
	(iv) Period of Exchange-traded Contracts:	[*specify*]/[Not applicable]
		(*Only applicable in case of Index Securities that are Futures Rollover Securities*)
	(v) Futures or Options Exchange:	[*specify*]
	(vi) Futures Rollover [Date/Period]:	[Not applicable]/[s*pecify*]

(vii)	Relevant FTP Screen Page:	[*specify*]/[Not applicable]
(viii)	Relevant Futures or Options Exchange Website:	[*specify*]/[Not applicable]
(ix)	Cut-off Time:	[*specify*]/[Not applicable]
(x)	Settlement on Occurrence of a Non-Commencement or Discontinuance of an Exchange-traded Contract:	[Delayed Settlement on Occurrence of a Non-Commencement or Discontinuance of an Exchange-traded Contract: [Applicable/Not applicable] [*If applicable*: Principal Protected Termination Amount: [Applicable/Not applicable]] [Highest Value: [Applicable/Not applicable]] [Market Value: [Applicable/Not applicable]] [Monetisation Option: [Applicable/Not applicable]] [*If Principal Protected Termination Amount, Highest Value or Monetisation Option are applicable:* Protected Amount: [*specify*] per cent. of the Notional Amount] [If the Calculation Agent determines a Non-Commencement or Discontinuance of an Exchange-traded Contract constitutes a force majeure, Index Security Condition [5.2(vi)] [and] [5.4(vi)] applies]

31.	Share Securities:	[Applicable/Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(a)	Share(s)/Share Company/Basket Company/GDR/ADR:	[*insert type of Share(s) and Share Company/Basket Companies*]

		[GDR/ADR applicable] [*Insert details of GDR/ADR*][15]
(b)	Relative Performance Basket:	[Not applicable/*specify*]
(c)	Share Currency:	[*specify*]
(d)	ISIN of Share(s):	[*specify*]
(e)	Exchange(s):	[*specify*]
(f)	Related Exchange(s):	[*specify*]/[All Exchanges]
(g)	Exchange Business Day:	[Single Share Basis/All Shares Basis/Per Share Basis]
(h)	Scheduled Trading Day:	[Single Share Basis/All Shares Basis/Per Share Basis] (*must match election made for Exchange Business Day*)
(i)	Weighting:	[The weighting to be applied to each item comprising the Basket of Shares to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment [in accordance with Annex 3]/[*specify other*]. (*N.B. Only applicable in relation to Securities relating to a Basket of Shares*)]
(j)	Settlement Price:	[Official closing price]/[Italian Securities Reference Price]/[price at the Valuation Time]] [AQR: Applicable. The Settlement Price is [*specify*]]
(k)	Closing Price:	[Official closing price] [VWA Closing Price]

[15] Specify each GDR or ADR (if any). In the case of Share Securities relating to a GDR/ADR, complete Share Securities Final Terms as applicable for GDR/ADR reference asset(s).

		[AQR: Applicable. The Closing Price is [*specify*]]
(l)	Specified Maximum Days of Disruption:	[*specify*] Scheduled Trading Days].
(m)	Valuation Time:	[Continuous monitoring [*specify other*] and the relevant time on the relevant Settlement Price Date or Averaging Date, as the case may be, is the Scheduled Closing Time as defined in Security Condition 3.] [*specify*] (*N.B. If no Valuation Time is specified, the Valuation Time will be the Scheduled Closing Time as defined in Security Condition* 3)]
(n)	Settlement on Occurrence of an Extraordinary Event:	[Delayed Settlement on Occurrence of an Extraordinary Event: [Applicable /Not applicable/] [*if applicable:* Principal Protected Termination Amount: [Applicable/Not applicable]] [Highest Value: [Applicable/Not applicable]] [Market Value: [Applicable/Not applicable]] [Monetisation Option: [Applicable/Not applicable]] [*If Principal Protected Termination Amount, Highest Value or Monetisation Option are applicable:* Protected Amount: [*specify*] per cent. of the Notional Amount] [If the Calculation Agent determines that an Extraordinary Event constitute a force majeure, Share Security Condition [5.2(b)(iii)] [or] [5.2(c)(vi)] applies]
(o)	Share Correction Period	[As per Share Security Condition 1/*specify*]

(p)	Dividend Payment:	[Applicable/Not applicable]
(q)	Listing Change:	[Applicable/Not applicable]
(r)	Listing Suspension:	[Applicable/Not applicable]
(s)	Illiquidity:	[Applicable/Not applicable]
(t)	Tender Offer:	[Applicable/Not applicable][16]
(u)	CSR Event:	[Applicable/Not applicable]
(v)	Hedging Liquidity Event:	[Applicable/Not applicable] [Maximum Hedging Liquidity Level: [[●] per cent.]/[As per Share Security Condition 5.3]]
(w)	Dividend Protection:	[Applicable][Not applicable] *[(N.B. Only applicable if Normal Performance applies to the Securities)]* *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	• Adjustments:	If a Dividend Event occurs during the period from, the Issue Date, excluded, to the Exercise Date, included, as determined by the Calculation Agent in its sole discretion, the Calculation Agent may, in its sole and absolute discretion, adjust: [the Strike Level, the Cap Level and the Initial Reference Level by multiplying such levels by the Adjustment Factor K (rounded to the fourth decimal digit);]

[16] Only to be disapplied for Tokyo EQD Securities.

[ ]

- Cap Level [ ]

- Scheduled Dividend: [The Scheduled Dividend is, for each Scheduled Ex-Date specified below, an amount per Share equal to:]

Scheduled Ex-Date	Scheduled Dividend Amount
[ ]	[ ]
[ ]	[ ]

[ ]

32. ETI Securities [Applicable/Not applicable]

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

(a) ETI/ETI Basket: [*specify*]

(b) ETI Interest(s): [*insert type of ETI Interest(s)*]

(c) ETI Related Party: [As per ETI Security Condition 1]/[*specify*]

(d) ETI Documents: [As per ETI Security Condition 1]/[*specify*]

(e) Exchange(s): [*specify*]

(f) Related Exchange: [*specify*]/[All Exchanges]

(g) Scheduled Trading Day: [All ETI Interests Basis/Per ETI Interest Basis/Single

		ETI Interest Basis]
(h)	Exchange Business Day:	[All ETI Interests Basis/Per ETI Interest Basis/Single ETI Interest Basis]
(i)	Calculation Date(s):	[As per ETI Security Condition 1]/[*specify*]
(j)	Initial Calculation Date:	[*specify*]/[Not applicable]
(k)	Final Calculation Date:	[*specify*]/[Not applicable]
(l)	Hedging Date:	[*specify*] /[Not applicable]
(m)	Investment/AUM Level:	[As per ETI Security Condition 1]/[*specify*]/[Not applicable]
(n)	Value per ETI Interest Trading Price Barrier:	[As per ETI Security Condition 1]/[*specify*]/[Not applicable]
(o)	Number of Value Publication Days:	[[●] calendar days] [[●] Value Business Days]/[Not applicable] [Value Business Day Centre(s): [*specify*] *(Only applicable if Number of Value Publication Days is calculated by reference to Value Business Days)*]
(p)	Value Trigger Percentage:	[As per ETI Security Condition 1]/[*specify*]/[Not applicable]
(q)	Value Trigger Period:	[As per ETI Security Condition 1]/[*specify*]/[Not applicable]
(r)	Basket Trigger Level:	[As per ETI Security Condition 1]/[*specify*]/[Not applicable]
(s)	Settlement Price/Closing Price:	[Official closing price]/[Value per ETI Interest]/ [price at the Valuation Time]

(t)	Weighting:	[The Weighting to be applied to each ETI Interest comprising the ETI Basket is [*specify*]]/[Not Applicable]
(u)	Valuation Time:	[*specify*]/[Not applicable]
(v)	Specified Maximum Days of Disruption:	[As per ETI Security Condition 1]/[*specify*]/[Not Applicable]
(w)	Additional Extraordinary ETI Event(s):	[*specify*]/[Not applicable]
(x)	Maximum Stock Loan Rate:	[The Maximum Stock Loan Rate in respect of [*specify in relation to each relevant ETI Interest*] is [●].]/[Not applicable]
(y)	ETI Interest Correction Period:	[As per ETI Security Condition 1]/ [*specify*]/[Not applicable]
(z)	Termination Amount:	[*specify*]/[Principal Protected Termination Amount]/[Non-Principal Protected Termination Amount]/[Not applicable]
(aa)	Simple Interest Spread:	[As per ETI Security Condition 1]/[*specify*]/[Not applicable]
(bb)	Termination Date:	[*specify*]/[Not applicable]
(cc)	Delayed Settlement on Occurrence of an Extraordinary ETI Event:	[Applicable/Not applicable]
(dd)	[Protected Amount:	[*If Delayed Settlement on Occurrence of an Extraordinary ETI Event and Principal Protected Termination Amount are applicable*: [*specify*] per cent. of the Notional Amount]

33. Debt Securities: [Applicable/Not applicable]

		(*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(a)	Debt Instruments:	[*specify*] [Not applicable] (*Not applicable if Futures Price Valuation applicable*)
(b)	Nominal Amount:	[The relevant nominal amount is [●] and the Relevant Screen Page is [●].] [Not applicable] (*Not applicable if Futures Price Valuation applicable*)
(c)	Reference Price:	[The Reference Price[s] for [*insert relevant Debt Instrument(s)*] is/are the [bid price]/[mid price]/[offer price]/[bid yield]/[mid yield]/[offer yield].] [Not applicable] (*Not applicable if Futures Price Valuation applicable*)
(d)	Exchange Business Day Centre(s):	[*specify*]
(e)	Valuation Time:	[*specify*]
(f)	Specified Maximum Days of Disruption:	[[*specify*] Scheduled Trading Days.] [Not applicable] (*Not applicable if Futures Price Valuation applicable*)
(g)	Delayed Settlement on Occurrence of Debt Instrument Redemption Event:	[Applicable/Not applicable] [*If applicable:* Principal Protected Termination Amount: [Applicable/ Not applicable] [*If Principal Protected Termination Amount is applicable:* Protected Amount: [*specify*] per cent. of the Notional Amount]] (*Not applicable if Futures Price Valuation applicable*)

(h)	Debt Instrument Correction Period:	[As per the Debt Security Condition 11]/ [*specify*]/[Not applicable] (*Not applicable if Futures Price Valuation applicable*)
(i)	Debt Instrument Issuer:	[*specify*]/[Not applicable] (*Not applicable if Futures Price Valuation applicable*)
(j)	Weighting:	[Not applicable/The weighting to be applied to each item comprising the Basket of Debt Instruments to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment.]
(k)	Futures Price Valuation:	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Rolling Futures Contract Securities:	[Yes/No]
	(ii) Exchange-traded Contract:	[*Specify*]/[*If the Debt Securities are Rolling Futures Contract Securities:* Debt Security Condition 7 applies]
	(iii) Synthetic Debt Instrument:	[*include description of the key terms of the synthetic debt instrument*]
	(iv) Delivery or expiry month:	[*Specify*]/[Not applicable] (*Not applicable in the case of Debt Securities that are Rolling Futures Contract Securities*)
	(v) Period of Exchange-traded Contracts:	[*Specify*]/[Not applicable] (*Only applicable in the case of Debt Securities that are Rolling Futures Contract Securities*)

(vi)	Futures or Options Exchange:	[*Specify*]
(vii)	Futures Rollover [Date/Period]:	[Not applicable]/[*Specify*]
(viii)	Delayed Settlement on Occurrence of a Non-Commencement or Discontinuance of an Exchange-traded Contract:	[Applicable/Not applicable] [*If applicable:* Principal Protected Termination Amount: [Applicable/Not applicable] *If Principal Protected Termination Amount is applicable*: Protected Amount: [*specify*] per cent. of the Notional Amount]
(ix)	Daily Settlement Price Correction Period:	[As per the Debt Security Condition 11][*Specify*]

34.	Commodity Securities:		[Applicable/Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(a)	Commodity/Commodities/ Commodity Index/Commodity Indices:	[*specify Commodity/Commodities/Commodity Index/Commodity Indices*] [The Sponsor[s] of the Commodity [Index/Indices] [is/are] [●]]
	(b)	Pricing Date(s):	[*specify*]
	(c)	Initial Pricing Date:	[*specify*]
	(d)	Final Pricing Date:	[*specify*]

(e)	Commodity Reference Price:	[*specify*] The Price Source is/are [●][17]
(f)	Delivery Date:	[*specify*]/[Not applicable]
(g)	Nearby Month:	[*specify*]/[Not applicable]
(h)	Specified Price:	[*specify*]/[Not applicable]
(i)	Exchange:	[*specify*]/[Not applicable]
(j)	Disruption Fallback(s):	[*specify*]/[As per Commodity Security Condition 1]
(k)	Trading Disruption:	[*specify*]/[Not applicable]
(l)	Valuation Time:	[Continuous monitoring [*specify other*] and the relevant time on [*insert relevant date(s)*].]/[*specify*]
(m)	Specified Maximum Days of Disruption:	[*specify*] [[●] Commodity Business Days][18]/[As per Commodity Security Condition 1]
(n)	Weighting:	The Weighting to be applied to each item comprising the Commodity Basket is [*specify*]
(o)	Rolling Futures Contract Securities:	[Yes/No] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	Futures Rollover [Date/Period]:	[Not applicable]/[*specify*]
(p)	Settlement following Market Disruption Event or Commodity	[Commodity Security Condition 3(c)(i) applies]/[Highest Value]/[Monetisation

[17] Delete if using automated Commodity Reference Prices.

[18] Only applicable in respect of Commodity Securities linked to a single Commodity.

	Index Adjustment Event:	Option]/[Market Value] [*If Highest Value or Monetisation Option are applicable*: Protected Amount: [*specify*] per cent. of the Notional Amount]] [If the Calculation Agent determines a Market Disruption Event or Commodity Index Adjustment Event constitutes a force majeure, Commodity Security Condition [3(c)(v)] [or] [4(b)(v)], [respectively,] applies]
35.	Inflation Index Securities:	[Applicable/Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(a)	Inflation Index/Inflation Indices/Inflation Index Sponsor:	[*specify name of inflation index/indices*] [*specify name of inflation index sponsor(s)*]
(b)	Related Bond:	[Applicable/Not applicable] [*If applicable, specify*]
(c)	Issuer of Related Bond:	[Applicable/Not applicable] [*If applicable, specify*]
(d)	Fallback Bond:	[Applicable/Not applicable] [*If applicable, specify*]
(e)	Related Bond Redemption Event:	[Applicable/Not applicable]
(f)	Settlement Price:	[*specify*]
(g)	Substitute Inflation Index Level:	[As determined in accordance with Annex 7] [*specify*].
(h)	Cut-off Date:	In respect of a [Valuation Date], the day that is [*specify*] Business Days prior to such [Valuation Date].
(i)	Valuation Date/Settlement Valuation Date:	[*specify*]

(j)	Reference Month:	[*specify*]
(k)	Currency Adjustment:	[Applicable/Not applicable]
(l)	Inflation Index Level Adjustment:	[Applicable/Not applicable]
(m)	Index Cancellation:	[Inflation Index Security Condition 4.7(b)(i) applies]/[Highest Value]/[Monetisation Option]/[Market Value] [*If Highest Value or Monetisation Option are applicable:* Protected Amount: [*specify*] per cent. of the Notional Amount] [If the Calculation Agent determines an Index Cancellation constitutes a force majeure, Inflation Index Security Condition 4.7(b)(v) applies]
36.	Currency Securities:	[Applicable/Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(a)	Relevant Screen Page:	[*specify*]
(b)	The relevant base currency (the "Base Currency") is:	[*specify*]
(c)	The relevant alternative [currency/currencies] ([the]/[each a] "Alternative Currency") [is/are]:	[*specify*]
(d)	Weighting:	[*specify*]
(e)	Price Source:	[*specify*]
(f)	Specified Maximum Days of Disruption:	[*specify*]/[five] Scheduled Trading Days

(g)	Settlement Price:	[*specify*]
(h)	Valuation Time:	[*specify*]
(i)	Settlement on Occurrence of a Disruption Event:	[Illiquidity Disruption: Not applicable] [Disruption Event Postponement: Not applicable] [Delayed Settlement on Occurrence of a Disruption Event: [Applicable/Not applicable]] [*if applicable*: Principal Protected Termination Amount: [Applicable/Not applicable] [Highest Value: [Applicable/Not applicable]] [Market Value: [Applicable/Not applicable]] [Monetisation Option: [Applicable/Not applicable]] [*If Principal Protected Termination Amount, Highest Value or Monetisation Option are applicable*: Protected Amount: [*specify*] per cent. of the Notional Amount] [If the Calculation Agent determines that a Disruption Event constitutes a force majeure, Currency Security Condition 3(b)(vi) applies]
(j)	Futures Price Valuation:	[Applicable/Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Rolling Futures Contract Securities:	[Yes/No]

(ii)	Exchange-traded Contract:	[*specify*]/[*If the Currency Securities are Rolling Futures Contract Securities:* Currency Security Condition 6 applies]
(iii)	Currency Pair:	[*specify*]
(iv)	ISIN:	[*specify*]
(v)	Expiry month:	[*specify*]/[Not applicable] (*Not applicable in the case of Currency Securities that are Rolling Futures Contract Securities*)
(vi)	Period of Exchange-traded Contract:	[*specify*]/[Not applicable] (*Only applicable in the case of Currency Securities that are Rolling Futures Contract Securities*)
(vii)	Futures or Options Exchange:	[*specify*]
(viii)	Futures Rollover [Date/Period]:	[Not applicable]/[*specify*] (*Not applicable in the case of Currency Securities that are not Rolling Futures Contract Securities*)
(ix)	Delayed Settlement on Occurrence of a Non-Commencement or Discontinuance of an Exchange-traded Contract:	[Applicable/Not applicable] [*If applicable:* Principal Protected Termination Amount: [Applicable/Not applicable] [*If Principal Protected Termination Amount is applicable:* Protected Amount: [*specify*] per cent. of the Notional

		Amount]
	(x) Daily Settlement Price Correction Period:	[As per Currency Security Condition 5]/[*specify*]
37.	Fund Securities:	[Applicable/Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(a) Fund/Fund Basket:	[*specify Fund/Fund Basket*] [SC/FM Fund Events: Applicable]
	(b) Fund Share(s):	[*specify*]
	(c) Fund Documents:	[As per Fund Security Condition 1]/[*specify*]
	(d) Fund Business Day:	[All Fund Share Basis/Per Fund Share Basis/Single Fund Share Basis]
	(e) Maximum Days of Disruption:	[As per Fund Security Condition 1]/[*specify*]
	(f) Fund Service Provider:	[As per Fund Security Condition 1]/[*specify*]
	(g) Calculation Date(s):	[As per Fund Security Condition 1]/[*specify*]
	(h) Initial Calculation Date:	[As per Fund Security Condition 1]/[*specify*]
	(i) Final Calculation Date:	[*specify*]
	(j) Hedging Date:	[*specify*]
	(k) AUM Level:	[*specify*]
	(l) NAV Trigger Percentage:	[*specify*]
	(m) NAV Trigger Period:	[As per Fund Security Condition 1]/[*specify*]

(n)	Number of NAV Publication Days:	[As per Fund Security Condition 1]/[*specify*]
(o)	Basket Trigger Level:	[*specify*]
(p)	Termination Amount:	[Principal Protected Termination Amount]/[Non-Principal Protected Termination Amount]/[*Specify*]/[Market Value]/[Highest Value]/[Monetisation Option] [Fund Event Force Majeure: Applicable]
(q)	Simple Interest Spread:	[As per Fund Security Condition 1]/[*specify*]
(r)	Termination Date:	[*specify*]
(s)	Delayed Settlement on Occurrence of an Extraordinary Fund Event:	[Applicable/Not applicable]
(t)	Delayed Payment Cut-off Date:	[As per Fund Security Condition 1]/[*specify*]
(u)	Fund Event *Force Majeure*	[Applicable/Not applicable]
(v)	Settlement Price:	[NAV per Fund Share][The sum of the values calculated in respect of each Basket Component as the NAV per Fund Share of such Basket Component multiplied by the relevant Weighting]
(w)	[Weighting:	The Weighting to be applied to each Fund Share comprising the Fund Basket is [*specify*]]
(x)	[Protected Amount:	[*If Highest Value, Monetisation Option or Delayed Settlement on Occurrence of an Extraordinary Fund Event and Principal Protected Termination Amount are applicable*: [*specify*] per cent. of the Notional Amount]
(y)	Settlement on Occurrence of a Fund Index Adjustment Event:	[Delayed Settlement on Occurrence of a Fund Index Adjustment Event: [Applicable/Not applicable]

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

[Highest Value: [Applicable/Not applicable]]

[Market Value: [Applicable/Not applicable]]

[Monetisation Option: [Applicable/Not applicable]]

[*If Principal Protected Termination Amount, Highest Value or Monetisation Option are applicable:* Protected Amount: [*specify*] per cent. of the Notional Amount]

38. Futures Securities: [Applicable/Not applicable]

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

(a) Future(s): [*insert type of Future(s)*]

(b) Exchange(s): [*specify*]

(c) Exchange Business Day: [Single Future Basis/All Futures Basis/Per Futures Basis]

(d) Scheduled Trading Day: [Single Future Basis/All Futures Basis/Per Futures Basis]

(*must match election made for Exchange Business Day*)

(e) Settlement Price: [Official closing price]/[price at the Valuation Time]

(f) Weighting: [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 Annex 10]/[*specify other*]. (*N.B. Only applicable in relation to Securities relating to a Basket*)]
(g)	Specified Maximum Days of Disruption:	[As defined in Futures Security Condition 1]/[[*specify*] Scheduled Trading Days].
(h)	Valuation Time:	[Continuous monitoring [*specify other*] and the relevant time on the Valuation Date, Observation Date or Averaging Date, as the case may be, is the Scheduled Closing Time as defined in Security Condition 3.] [*specify*] (*N.B. If no Valuation Time is specified, the Valuation Time will be the Scheduled Closing Time as defined in Security Condition* 3)]
(i)	Futures Correction Period:	[As per Futures Security Conditions 1]/[*specify*]
(j)	Settlement on Occurrence of a Futures Adjustment Event:	[Delayed Settlement on Occurrence of Futures Adjustment Event: [Applicable/Not applicable] [*if applicable*: Principal Protected Termination Amount: [Applicable/Not applicable]] [Highest Value: [Applicable/Not applicable]] [Market Value: [Applicable]/[Not applicable]] [Monetisation Option: [Applicable/Not applicable]] [*If Principal Protected Termination Amount, Highest Value or Monetisation Option are applicable*: Protected Amount: [*specify*] per cent. of the Notional Amount] [If the Calculation Agent determines a Futures

		Adjustment Event constitutes a force majeure, Futures Security Condition 3.1(b)(vi) applies]
39.	Credit Securities:	[Applicable/Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
General Terms relating to type of Credit Security		
(a)	Type of Credit Securities	
(i)	Single Reference Entity Credit Securities:	[Applicable] [Not applicable]
(ii)	Nth-to-Default Credit Securities (*Delete the remainder of (ii) if Not Applicable*)	[Applicable] [Not applicable]
	N:	[•]
	Multiple Default Triggers:	Multiple Default Trigger:
	M:	[•]
	Substitution:	[Applicable] [Not applicable]
(iii)	Zero Recovery Credit Securities:	[Applicable] [Not applicable]
(iv)	Basket Credit Securities: *[(Delete remaining paragraphs if Basket Credit Securities are not applicable)*	[Applicable] [Not applicable]
	Distribution End Date:	[•] [Not applicable] [For this purpose, [Distribution Period Settlement] [Settlement at Maturity] [Distribution Period Event Determination Date Disapplication] shall apply.]]
	Linear Basket Credit Securities:	[Applicable] [Not applicable]

	Substitution:	[Applicable] [Not applicable]
(v)	First-to-Default Credit Securities: (*Delete below paragraph if First-to-Default Security is Not applicable*)	[Applicable] [Not applicable]
	Substitution	[Applicable] [Not applicable]
(vi)	Tranched Credit Securities:	[Applicable] [Not applicable]
(vii)	Combination Credit Securities: (*Delete remaining paragraphs if Combination Credit Securities are Not applicable*)	[Applicable] [Not applicable]
[Credit-linked Principal Type:		[Single Reference Entity Credit Securities] [Nth-to-Default Credit Securities N:[●] [Multiple Default Triggers: [Applicable/Not applicable]] [M:[●]] **[**Basket Credit Securities: [Linear Basket Credit Securities] [Applicable/Not applicable]][Zero Recovery Credit Securities] [First to Default Credit Securities] [Substitution: [Applicable]] [Not applicable] [Tranched Credit Security]
Credit-linked Remuneration Type:		[Single Reference Entity Credit Securities] [Nth-to-Default Credit Securities N:[●] [Multiple Default Triggers: [Applicable/Not applicable]] [M:[●]] [Basket Credit Securities: [Linear Basket Credit Securities] [Applicable/Not applicable]][Zero Recovery Credit Securities] [First to Default Credit Securities] [Substitution: [Applicable] [Not applicable]] [Tranched Credit Security]
(viii)	Calculation Agent responsible for making calculation and determinations pursuant to Annex 12 – Additional Terms and Conditions for Credit Securities): Terms relating to Credit-linkage *(Insert for all Credit Securities)*	[●]

(ix)	Transaction Type:	[Standard North American Corporate][Standard European Corporate][Standard European Financial Corporate][Standard European CoCo Financial Corporate][Standard European Senior Non-Preferred Financial Corporate][Standard Subordinated European Insurance Corporate][Standard Emerging European Corporate LPN][Standard Emerging European Corporate][Standard Latin American Corporate BL] [Standard Australia [Financial] Corporate][Standard New Zealand [Financial] Corporate][Standard Japan [Financial] Corporate][Standard Singapore [Financial] Corporate][Standard Asia [Financial] Corporate][Standard Sukuk Corporate][Standard Western European Sovereign][Standard Latin America Sovereign][Standard Emerging European & Middle Eastern Sovereign][Standard Australia Sovereign][Standard New Zealand Sovereign][Standard Japan Sovereign][Standard Singapore Sovereign][Standard Asia Sovereign][Standard Sukuk Sovereign][Standard U.S. Municipal Full Faith and Credit][Standard U.S. Municipal General Fund][Standard U.S. Municipal Revenue] [●] [As specified in the Relevant Annex] Relevant Annex: [Applicable: [●]] [Not applicable] Index Sponsor: [Applicable: [●]] [Not applicable]
(x)	Scheduled Settlement Date:	**[●]**
(xi)	Reference Entity(ies):	[●] [As specified in Annex 12 (*Additional Terms and Conditions for Credit Securities*)] [As specified in the Relevant Annex]
(xii)	Reference Entity Notional Amount:	[●][as per the Credit Security Conditions] [As specified in Annex 12 (*Additional Terms and Conditions for Credit Securities*)] [As specified in the

		Relevant Annex] [Credit Linked Remuneration Only: [Applicable/Not applicable]]
(xiii)	Reference Entity Weighting:	[●][As specified in Annex 12 (*Additional Terms and Conditions for Credit Securities*)] [As specified in the Relevant Annex] [Not applicable]
(xiv)	Reference Obligation(s):	
	The obligation identified as follows: (*Delete below line items if RO is as specified in the Relevant Annex)*	[Applicable/Not applicable/[●] [As specified in Annex 12 (*Additional Terms and Conditions for Credit Securities*)] [As specified in the Relevant Annex]
	Primary obligor:	**[●]**
	Guarantor of the Reference Obligation:	**[●]**
	Maturity of the Reference Obligation:	**[●]**
	Coupon of the Reference Obligation:	**[●]**
	CUSIP/ISIN of the Reference Obligation:	**[●]**
	Seniority Level:	[Senior Level] [Subordinated Level] [●] [Not applicable]
	Original issue amount of the Reference Obligation:	**[●]**
		[The obligation specified as the Reference Obligation above shall be the Original Non-Standard Reference Obligation notwithstanding that such obligation is not an obligation of the Reference Entity, and notwithstanding any contrary provision of the definition of "Original Non-Standard Reference Obligation" (and, for the avoidance of doubt,

		paragraph (a) of the definition thereof applies).] [*Delete if not applicable or if Reference Obligation above is an obligation of the Reference Entity*]
(xv)	Standard Reference Obligation:	[Applicable/Not applicable/[●]/[As specified in Annex 12 (*Additional Terms and Conditions for Credit Securities*)] [As specified in the Relevant Annex] [Seniority Level: [Senior]/[Subordinated]/[●]/[Not applicable]]
(xvi)	Settlement Method:	**[**Auction Settlement**] [**Cash Settlement] [: Final Price: [●]] [Minimum Quotation Amount [●]] [Credit Security Condition 2(b) Not applicable]**] [**Physical Settlement**]** [Not applicable – the Credit Securities are Zero Recovery Credit Securities] [Payment Requirement [●]] [Credit Unwind Costs: [Not applicable] [●]] [Standard Credit Unwind Costs: Applicable] [*Delete if Credit Unwind Costs are applicable*]
(xvii)	Fallback Settlement Method	**[**Cash Settlement**] [**Physical Settlement][Not applicable]
(xviii)	Settlement at Maturity:	**[**Applicable**] [**Not applicable**]**
(xix)	Settlement Currency	**[●]**
(xx)	Merger Event:	**[**Credit Security Condition 2(d) **[**Applicable/Not applicable**]]** (*If Applicable*): **[**Merger Event Settlement Date: **[●]]**
(xxi)	Credit Event Backstop Date	[As per the Credit Security Conditions] [The date that

		is 60 calendar days prior to the Trade Date] [Issue Date] [●]
(xxii)	Credit Observation Period End Date:	[Applicable: [●]] [Not applicable]
(xxiii)	Principal Protection Level:	[●]
(xxiv)	CoCo Supplement:	[Applicable/Not applicable/As set out in the Relevant Annex] [*Delete if CoCo Supplement is not applicable*] [Trigger Percentage: [●] [As specified in Annex 12 (*Additional Terms and Conditions for Credit Securities*)] [As specified in the Relevant Annex] [As per the Credit Security Conditions]]
(xxv)	Sovereign No Asset Package Delivery Supplement:	[Applicable/Not applicable/As set out in the Relevant Annex]
(xxvi)	Additional Terms relating to Tranched Credit Securities	[Applicable/Not applicable] (*Delete below if Tranched Credit Securities are Not applicable)* Attachment Point: [●] Detachment Point: [●] Settled Entity Matrix: [Not applicable/[●]] Incurred Recoveries: [Applicable/Not applicable] Any other terms or provisions: [●]]
(xxvii)	Additional Provisions:	**[●]** [Change in Standard Terms and Market Conventions: [Not applicable]] [*Delete if Change in Standard Terms*

and Market Conventions applies]]

[In respect of [*specify relevant Reference Entity*], [Include Accrued Interest] [Exclude Accrued Interest] applicable]

[Grace Period Extension: [Applicable] [Not applicable] [As set out in the Physical Settlement Matrix for the specified Transcation Type]

Credit Events: [As set out in the Physical Settlement Matrix for the specified Transaction Type] [*specify if different*]

(xxviii) Terms relating to Credit Linked Remuneration: [Applicable] [Not applicable]

(*Delete remaining line items if not applicable*)

(a) Transaction Type: **[**Standard North American Corporate][Standard European Corporate][Standard European Financial Corporate][Standard European CoCo Financial Corporate][Standard European Senior Non-Preferred Financial Corporate][Standard Subordinated European Insurance Corporate][Standard Emerging European Corporate LPN][Standard Emerging European Corporate][Standard Latin American Corporate BL] [Standard Australia [Financial] Corporate][Standard New Zealand [Financial] Corporate][Standard Japan [Financial] Corporate][Standard Singapore [Financial] Corporate][Standard Asia [Financial] Corporate][Standard Sukuk Corporate][Standard Western European Sovereign][Standard Latin America Sovereign][Standard Emerging European & Middle Eastern Sovereign][Standard Australia Sovereign][Standard New Zealand Sovereign][Standard Japan Sovereign][Standard

	Singapore Sovereign][Standard Asia Sovereign][Standard Sukuk Sovereign][Standard U.S. Municipal Full Faith and Credit][Standard U.S. Municipal General Fund][Standard U.S. Municipal Revenue **[●]** [As specified in the Relevant Annex] [Capped Reference Entity [●]]
(b) Scheduled Settlement Date	**[●]**
(c) Reference Entity(ies):	[●] [As specified in Annex 12 (*Additional Terms and Conditions for Credit Securities*)] [As specified in the Relevant Annex] Relevant Annex: [Applicable: [●]] [Not applicable] Index Sponsor: [Applicable: [●]] [Not applicable]
(d) Reference Entity Notional Amount	[●][as per the Credit Security Conditions] [As specified in Annex 12 (*Additional Terms and Conditions for Credit Securities*)] [As specified in the Relevant Annex]
(e) Reference Entity Weighting:	[●][As specified in Annex 12 (*Additional Terms and Conditions for Credit Securities*)] [As specified in the Relevant Annex] [Not applicable]
(f) Reference Obligation(s):	
The obligation identified as follows:	[Applicable/Not applicable/[●] [As specified in Annex 12 (*Additional Terms and Conditions for Credit Securities*)] [As specified in the Relevant Annex] (*Delete below if Relevant Annex applies)*
Primary obligor:	**[●]**
Guarantor of the Reference Obligation:	**[●]**

Maturity of the Reference Obligation:	**[●]**
Coupon of the Reference Obligation:	**[●]**
CUSIP/ISIN of the Reference Obligation:	**[●]**
Seniority Level:	[Senior Level] [Subordinated Level] [●] [Not applicable]
Original issue amount of the Reference Obligation:	**[●]**
	[The obligation specified as the Reference Obligation above shall be the Original Non-Standard Reference Obligation notwithstanding that such obligation is not an obligation of the Reference Entity, and notwithstanding any contrary provision of the definition of "Original Non-Standard Reference Obligation" (and, for the avoidance of doubt, paragraph (a) of the definition thereof applies).] [*Delete if not applicable or if Reference Obligation above is an obligation of the Reference Entity*]
(g) Standard Reference Obligation:	[Applicable/Not applicable/[●]/[As specified in Annex 12 (*Additional Terms and Conditions for Credit Securities*)] [As specified in the Relevant Annex]
	[Seniority Level: [Senior]/[Subordinated]/[●]/[Not applicable]]
(h) Settlement Method:	**[**Auction Settlement**]** **[**Cash Settlement] [: Final Price: [●]] [Minimum Quotation Amount [●]] [Credit Security Condition 2(b) Not applicable]**]** **[**Physical Settlement**]** [Not applicable – Remuneration is Zero Recovery Credit Securities]

	[Payment Requirement [●]]
	[Credit Unwind Costs: [Not applicable] [●]] [Standard Credit Unwind Costs: Applicable] [*Delete if Credit Unwind Costs are applicable*]
(i) Fallback Settlement Method	**[**Cash Settlement**]** **[**Physical Settlement][Not applicable]
(j) Settlement Currency	**[●]**
(k) Merger Event:	**[**Credit Security Condition 2(d) **[**Applicable/Not applicable**]]**
	(*If Applicable*):
	[Merger Event Settlement Date: **[●]]**
(l) Credit Event Backstop Date	[As per the Credit Security Conditions] [The date that is 60 calendar days prior to the Trade Date] [Issue Date] [[●]]
(m) Credit Observation Period End Date:	[Applicable: [●]] [Not applicable]
(n) CoCo Supplement:	[Applicable/Not applicable/As set out in the Relevant Annex]
	(*Delete if CoCo Supplement is not applicable*)
	[Trigger Percentage: [●] [As specified in Annex 12 (*Additional Terms and Conditions for Credit Securities*)] [As specified in the Relevant Annex] [As per the Credit Security Conditions]]
(o) Additional Terms relating to Tranched Credit Securities (*Remuneration):*	[Applicable/Not applicable]
(Include only for Combination Credit	

Securities where Remuneration is Tranched Credit Securities. If not applicable, delete remaining line items)		
		Attachment Point: [●]
		Detachment Point: [●]
		Settled Entity Matrix: [Not applicable/[●]]
		Incurred Recoveries:
		Any other terms or provisions: [●]]
(p)	Additional Provisions (*Remuneration*)	[Applicable] [Not applicable]
		[•][Change in Standard Terms and Market Conventions: [Not applicable]] [Delete if Change in Standard Terms and Market Conventions applies]]
		[In respect of [specify relevant Reference Entity], [Include Accrued Interest] [Exclude Accrued Interest] applicable]
		[Grace Period Extension: [Applicable] [Not applicable] [As set out in the Physical Settlement Matrix for the specified Transcation Type]
		Credit Events: [As set out in the Physical Settlement Matrix for the specified Transaction Type] [specify if different]
(xxix)	LPN Reference Entities	**[**Applicable/Not applicable/[●]/[As specified in the Annex 12 (*Additional Terms and Conditions for Credit Securities*)] [Relevant Annex in respect of the [relevant Reference Portfolio]**]**
(xxx)	[Hybrid Remuneration [(Simple)]/[(Credit)]/(Multiple)]:	[Applicable/Not applicable]

		[See paragraphs 45(a) (*Provisions relating to Remuneration in respect of Certificates - Remuneration),* 45(d) *(Provisions relating to Remuneration in respect of Certificates - Linked Remuneration Amount Certificates*) and [*specify paragraph* 45(e)-(n)] in respect of the applicable provisions for the calculation of the Remuneration Amount.]
	[*(Insert where Hybrid Remuneration (Multiple) applies:* [Hybrid Remuneration (Multiple):	[Hybrid Remuneration][(Simple)/(Credit)] Remuneration Payable per Credit Security Conditions: [*Insert*][Applicable][Not applicable] Remuneration payable in respect of alternative Underlying Reference: [Credit Security Condition][Applicable][Not applicable]
	Credit Underlying Override:	[Applicable][Not applicable]
	Non-Credit Underlying Override:	[Applicable][Not applicable]
	Adjusted Redemption Calculation Basis:	[Applicable][Not applicable]
(xxxi)	Additional Terms relating to Bonus Remuneration Securities: (*Delete remaining provisions if not applicable)*	[Applicable][Not applicable]
	Bonus Remuneration Rate:	**[●]**
	Outstanding Bonus Remuneration Rate Method:	[Standard][Averaging]
	Bonus Remuneration Accrual Basis:	[Running Basis][Final Payment]
	Bonus Remuneration Payment	[●][Final Settlement only]

	Date(s):	
	Bouns Remuneration Day Count Fraction:	[●]
	Bonus Remuneration Determination Date:	[●]
	Bonus Remuneration Attachment Point:	[●]
	Bonus Remuneration Detachment Point:	[●]
	Bonus Remuneration Implicit Portfolio Size:	[●]
	Other terms or provisions applicable to Bonus Remuneration:	[●][Not applicable]
(xxxii)	Calculation of Remuneration upon Credit Event:	**[**Remuneration to: [Remuneration Payment Date] [Event Determination Date]
(xxxiii)	Additional Credit Securities Disruption Events:	**[**The following Additional Credit Securities Disruption Events apply to the Securities:**] [**Not applicable**]** *(Specify each of the following which applies.)* **[**Change in Law**]** **[**Hedging Disruption**]** **[**Increased Cost of Hedging**]**
(xxxiv)	Calculation and Settlement Suspension:	[Applicable] [Not applicable]
40.	Underlying Interest Rate Securities:	[Applicable/Not applicable]

		(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
(a)	Underlying Interest Determination Date(s):	[*Specify*] (*If more than one [Underlying Interest Rate] is to be determined, include the following language: "Underlying Interest Rate$_1$:"*)
(b)	Manner in which the Underlying Interest Rate is to be determined:	[Screen Rate Determination/ISDA Determination]
	(A) Screen Rate Determination:	[Applicable/Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(a) [Underlying Reference Rate:	[*specify*] *(Either LIBOR, EURIBOR or other)*
	(b) Specified Time:	[*specify*] *(which will be 11:00 am, London time, in the case of LIBOR, or 11:00 am, Brussels time, in the case of EURIBOR)*
	(c) Relevant Screen Page:	[*specify*]]
	(B) ISDA Determination	[Applicable/Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(a) [Floating Rate	[*specify*]

	Option:	
(b)	Designated Maturity:	[*specify*]
(c)	Reset Date:	[*specify*]]
		(*N.B. The fallback provisions applicable to ISDA Determination under the 2006 ISDA Definitions are reliant upon the provision by reference banks of offered quotations for LIBOR and/or EURIBOR which, depending on market circumstances, may not be available at the relevant time*)

(c)	Underlying Margin(s):	[[+/-][●] per cent. per annum]/[Not Applicable]
(d)	Minimum Underlying Reference Rate:	[[●] per cent. per annum]/[Not Applicable]
(e)	Maximum Underlying Reference Rate:	[[●] per cent. per annum]/[Not Applicable]
		(If more than one [Underlying Interest Rate] is to be determined, include the following language: "Underlying Interest Rate$_2$:" *and repeat items 40(b) to (e)]*.
		(Repeat for each Underlying Interest Rate.)

41.	OET Certificates:	[Applicable/Not applicable]
		(*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(a)	Final Price:	[As per OET Certificate Conditions]
(b)	Valuation Date:	[As per OET Certificate Conditions]/[*specify*]
(c)	Exercise Price:	[*specify*]

(d)	Relevant Business Day:	[*specify*]
(e)	Capitalised Exercise Price:	[As per OET Certificate Conditions] OET Website(s): [*specify*] Local Business Day Centre(s): [*specify*]
(f)	Capitalised Exercise Price Rounding Rule:	[upwards/downwards] [●] digits
(g)	Dividend Percentage:	[*specify*]/[Not applicable] (*N.B. Not applicable in respect of Commodity OET Certificates, Currency OET Certificates or Futures OET Certificates*)
(h)	Financing Rate:	
	(i) Interbank Rate 1 Screen Page:	[*specify*]
	(ii) Interbank Rate 1 Specified Time:	[*specify*][As per OET Certificate Conditions]
	(iii) Interbank Rate 2 Screen Page:	[*specify*]
	(iv) Interbank Rate 2 Specified Time:	[*specify*][As per OET Certificate Conditions]
	(v) Financing Rate Percentage:	[+/-][*specify*]
	(vi) Financing Rate Range:	[*specify*]

(i)	Automatic Early Settlement:		[Applicable/Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Automatic Early Settlement Payout:	[Automatic Early Settlement Payout Capitalised Call and Put Securities 1] [*Insert related provisions from Formulas Condition 2.1(a)*] [Automatic Early Settlement Payout Capitalised Call and Put Securities 2] [*Insert related provisions from Formulas Condition 2.1(b)*]
	(ii)	Automatic Early Settlement Date:	[●] Business Days following the Valuation Date.
	(iii)	Observation Price:	[Official level]/[Opening price]/[Official close]/[Closing price]/[Purchase price]/[Sale price]/[Traded price]/[Bid price]/[Asked price]/[Last price]/[Official settlement price]/[Daily settlement price]
	(iv)	Observation Price Source	[*specify source*]
	(v)	Observation Time(s):	[At any time during the opening hours of the Exchange]/[*specify*]
	(vi)	Security Threshold:	[*specify*]/ [As per OET Certificate Condition 1] [The Security Threshold in respect of a Relevant Business Day will be published as soon as practicable after its determination on the OET Website(s), as set out in paragraph 41(e).]

(vii)	Security Threshold Rounding Rule:	[upwards/downwards] [●] digits
(viii)	Security Percentage:	[*specify*]
(ix)	Minimum Security Percentage:	[*specify*]/[Not applicable]
(x)	Maximum Security Percentage:	[*specify*]/[Not applicable]
(xi)	Reset Date:	[As per OET Certificate Condition 1]/[*specify*]

42.	Additional Disruption Events and Optional Additional Disruption Events:	(a)	Additional Disruption Events: [Applicable/Not applicable]/[[Change in Law/Hedging Disruption] does not apply to the Securities] [Change in Law – Hedge Maintenance Cost: Not applicable]
		(b)	[Optional Additional Disruption Events: [Applicable/Not applicable] [The following Optional Additional Disruption Events apply to the Securities: (*Specify each of the following which applies. N.B. Optional Additional Disruption Events are applicable to certain Index Securities, Share Securities, ETI Securities and Commodity Securities. Careful consideration should be given to whether Optional Additional Disruption Events would apply for Debt Securities, Currency Securities and Fund Securities and, if so, the relevant definitions will require amendment.*) [Administrator/Benchmark Event]

[Increased Cost of Hedging]

[Increased Cost of Stock Borrow]

[Insolvency Filing]

(*N.B. Only applicable in the case of Share Securities*)

[Cancellation Event]

(*N.B. Only applicable in the case of Debt Securities*)

[Loss of Stock Borrow]

[[Stop-Loss Event]

[Stop-Loss Event Percentage: [5] per cent.]]

[Currency Event]

[Extraordinary External Event]

[Jurisdiction Event

Hedging Arrangements: Not applicable]

[Significant Alteration Event]

[Failure to Deliver due to Illiquidity]

[Hedging Party Default]

(*N.B. Only applicable in the case of Physical Delivery Securities– Failure to Deliver due to Illiquidity is applicable to certain Share*

Securities. Careful consideration should be given to whether Failure to Deliver due to Illiquidity would apply to other Physical Delivery Securities)

(c) [The Maximum Stock Loan Rate in respect of [*specify in relation to each relevant Share/Security*] 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/Security*] is [●].

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

(d) Settlement:

[Delayed Settlement on Occurrence of an Additional Disruption Event and/or Optional Additional Disruption Event: [Applicable/Not applicable]

[*if applicable*:

Principal Protected Termination Amount: [Applicable/Not applicable]]

[Highest Value: [Applicable/Not Applicable]]

[Market Value: [Applicable]/[Not Applicable]]

[Monetisation Option: [Applicable/Not applicable]]

[*If Principal Protected Termination Amount, Highest Value or Monetisation Option are applicable*: Protected Amount: [*specify*] per cent. of the Notional Amount]]

43. Knock-in Event[19]: [Applicable/Not applicable]

[If applicable:

[*specify*]/["greater than"/"greater than or equal to"/"less than"/"less than or equal to"/"within"/"outside"]]

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

(a) Knock-in Valuation: [Applicable/Not applicable]

[*If applicable insert relevant provisions from Conditions*]

[*If Knock-in Valuation is not applicable and the Securities are Currency Securities, specify if FX Knock-in Valuation is applicable*.]

(b) FX Knock-in Valuation: [Applicable/Not applicable]

[*If FX Knock-in Valuation is applicable, insert relevant provisions from Conditions.*]

[FX Coupon Performance: [Applicable/Not applicable]]

[Performance Value: [Applicable/Not applicable]]

[19] Only applicable in relation to Index Securities, Share Securities, ETI Securities, Commodity Securities, Currency Securities, Debt Securities, Futures Securities, Fund Securities.

(c)	Level:	[Official level]/[Official close]/[last price]/[traded price]/[bid price]/[asked price]/[Standard Level]/[Not applicable]
(d)	Knock-in Level/Knock-in Range Level:	[*specify*][FX Knock-in Level] [*If FX Knock-in Level is specified insert relevant provisions from Conditions*]
(e)	Knock-in Period Beginning Date:	[*specify*]
(f)	Knock-in Period Beginning Date Day Convention:	[Applicable/Not applicable]
(g)	Knock-in Determination Period:	[*specify*]/[See definition in Security Condition 14]
(h)	Knock-in Determination Day(s):	[*specify*]/[Each [Scheduled Trading Day/ Commodity Business Day/Fund Business Day/Business Day] in the Knock-in Determination Period]
(i)	Knock-in Period Ending Date:	[*specify*]
(j)	Knock-in Period Ending Date Day Convention:	[Applicable/Not applicable]
(k)	Knock-in Valuation Time:	[*specify*/See definition in Security Condition 14]/[Valuation Time]/[Any time on a Knock-in Determination Day]/[Not applicable]
(l)	Knock-in Observation Price Source:	[*specify*]
(m)	Disruption Consequences:	[Applicable/Not applicable]

44. Knock-out Event[20]: [Applicable/Not applicable]

[20] Only applicable in relation to Index Securities, Share Securities, ETI Securities, Commodity Securities, Currency Securities, Fund Securities, Debt Securities and Futures Securities.

		[If applicable: [*specify*]/["greater than"/"greater than or equal to"/"less than"/"less than or equal to"/"within"/"outside"]] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(a)	Knock-out Valuation:	[Applicable/Not applicable] [*If applicable insert relevant provisions from Conditions*] [*If Knock-out Valuation is not applicable and the Securities are Currency Securities, specify if FX Knock-out Valuation is applicable.]*
(b)	FX Knock-out Valuation	[Applicable/Not applicable] [*If FX Knock-out Valuation is applicable, insert relevant provisions from Conditions.*] [FX Coupon Performance: [Applicable/Not applicable]] [Performance Value: [Applicable/Not applicable]]
(c)	Level:	[Official level]/[Official close]/[last price]/[traded price]/[bid price]/[asked price]/[Standard Level]/[Not applicable]
(d)	Knock-out Level /Knock-out Range Level:	[*specify*][FX Knock-out Level] [*If FX Knock-out Level is specified insert relevant provisions from Conditions*]

(e)	Knock-out Period Beginning Date:	[*specify*]
(f)	Knock-out Period Beginning Date Day Convention:	[Applicable/Not applicable]
(g)	Knock-out Determination Period:	[*specify*]/[See definition in Security Condition 14]
(h)	Knock-out Determination Day(s):	[*specify*]/[Each [Scheduled Trading Day/ Commodity Business Day/Fund Business Day/Business Day] in the Knock-out Determination Period]
(i)	Knock-out Period Ending Date:	[*specify*]
(j)	Knock-out Period Ending Date Day Convention:	[Applicable/ Not applicable]
(k)	Knock-out Valuation Time:	[*specify*]/[See definition in Security Condition 14] [Any time on a Knock-out Determination Day]/[Valuation Time]/[Not applicable]
(l)	Knock-out Observation Price Source:	[*specify*]
(m)	Disruption Consequences:	[Applicable/Not applicable]

45. PROVISIONS RELATING TO REMUNERATION IN RESPECT OF CERTIFICATES

[*The following provisions are only applicable to Certificates:*]

(a)	Remuneration:	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs under this paragraph*) (*in case Additional Coupons are provided for, repeat all the relevant items in the Final Terms necessary to calculate such Additional Coupons*)

[Coupon Switch: [Applicable / Not applicable]]

[If applicable:

[Coupon Switch Election: Applicable]/[Automatic Coupon Switch: Applicable [*insert relevant provisions from Conditions*]]

Pre-Switch Coupon: [*specify Interest Basis*] - [Fixed Rate]/[Floating Rate]/[Linked Remuneration]: [MFP Fixed Coupon]/[MFP Floating Coupon]/[MFP Mixed Coupon]/[MFP Digital Coupon]/[MFP Additional Digital Coupon]/[MFP Double Digital Coupon]/[MFP Corridor Digital Coupon]/[MFP Memory Snowball Digital Coupon]/[MFP Range Accrual Coupon]/[MFP – Digital Mixed Coupon]/[MFP – Double Digital Mixed Coupon]/[MFP Ratchet Coupon]/[Weighted Mixed Coupon]/[Max Mixed Coupon]/[Single FX Vanilla Coupon]/[Single FI Digital Coupon]/[Single FX Digital Coupon]/[Range Accrual Coupon]/[Single FX Range Accrual Coupon]/[Single FX Memory Coupon]/[Multiple Combination Floater Coupon]/[PRDC Coupon]/[Single FI Digital Floor Coupon]/[Single FI Digital Cap Coupon]/[Single FI Target Coupon]/[Duration Adjusted Coupon]/[FX Wedding Cake Remuneration] (see items [*specify*] below)

Post-Switch Coupon: [*specify Interest Basis*] - [Fixed Rate]/[Floating Rate]/[Linked Remuneration]: [MFP Fixed Coupon]/[MFP Floating Coupon]/[MFP Mixed Coupon]/[MFP Digital Coupon]/[MFP Additional Digital Coupon]/ [MFP Double Digital Coupon]/[MFP Corridor Digital Coupon]/[MFP Memory Snowball Digital Coupon]/[MFP Range Accrual Coupon]/[MFP – Digital Mixed Coupon]/[MFP – Double Digital Mixed Coupon]/[MFP Ratchet Coupon]/[Weighted Mixed Coupon]/[Max Mixed Coupon]/[Single FX Vanilla Coupon]/[Single FI Digital Coupon]/[Single

FX Digital Coupon]/[Range Accrual Coupon]/[Single FX Range Accrual Coupon]/[Single FX Memory Coupon]/[Multiple Combination Floater Coupon]/[PRDC Coupon]/[Single FI Digital Floor Coupon]/[Single FI Digital Cap Coupon]/[Single FI Target Coupon]/[Duration Adjusted Coupon]/[FX Wedding Cake Remuneration] [(*insert relevant provisions, replicating relevant prompts from this item and items below as applicable*)

Additional Switch Coupon: [Applicable/Not applicable] [*If applicable*: [*Specify*] [Notional Amount × [●]%]]

Coupon Switch Date[s]: [*Specify*]]

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

[Remuneration Barrier Event: [Applicable/Not applicable]

[[*If applicable*: [A Remuneration Barrier Event shall be deemed to have occurred if [ ].]

No Further Remuneration: [Applicable] [Not applicable]

No Remuneration for Remuneration Period: [Applicable] [Not applicable]

Remuneration Barrier Level: [ ] with reference to [the Remuneration Barrier Observation Date falling on [ ] / the Remuneration Barrier Observation Period [ ]]

(specify each Remuneration Barrier Level if the Remuneration Barrier Level varies for each Barrier Observation Date or Barrier Observation Period)

[Remuneration Barrier Observation Date: [Not applicable] [ ]

[Remuneration Barrier Observation Period: [Not applicable] [ ]]

[Remuneration Payment Condition: [Applicable] [Not applicable]

[[*If applicable*: [A Remuneration Payment Condition shall be deemed to have occurred if [ ].

(*in case of Leveraged Certificates Insert related provisions from Conditions*)

[Remuneration Payment Condition Level: [ ] [Not applicable]

(specify each Remuneration Payment Condition Level if the Remuneration Payment Condition Level varies for each Payment Condition Observation Date or Remuneration Payment Condition Observation Period)

[Remuneration Payment Condition Observation Date(s): [ ] [Not applicable]

[Remuneration Payment Condition Observation Period: [ ] [Not applicable]

(i)	Remuneration Period(s):	[*specify*]
(ii)	Remuneration Payment Date(s):	[*specify*]
(iii)	Business Day Convention for Remuneration Payment Date(s):	[Following/Modified Following/Preceding/Modified Preceding/ Not applicable] [•] (*repeat if necessary with reference to different Remuneration Payment*

		Date(s))
(iv)	Party responsible for calculating the Remuneration Rate(s) and Remuneration Amount(s) (if not the Calculation Agent):	[*specify*]
(v)	Margin(s):	[[+/-][*specify*] per cent. per annum/Not applicable]
(vi)	Maximum Remuneration Rate:	[[*specify*] /Not applicable]
(vii)	Minimum Remuneration Rate:	[[*specify*] /Not applicable]
(viii)	Day Count Fraction:	[*specify*]/[unadjusted]
(ix)	Remuneration to Settlement:	[Applicable/Not Applicable] (*specify for the different Remuneration periods if necessary*)
(x)	Remuneration Basis:	[Fixed Remuneration Amount Certificates] (*If the Certificates are Fixed Remuneration Amount Certificates, complete letter (b) accordingly*) [Floating Remuneration Amount Certificates] (*If the Certificates are Floating Remuneration Amount Certificates, complete letter (c) accordingly*) [Fixed Remuneration Amount Certificates and Floating Remuneration Amount Certificates] (*If the Certificates are Fixed Remuneration Amount Certificates and Floating Remuneration Amount*

		Certificates, complete letters (b) and/or (c) accordingly)
		[Linked Remuneration Amount Certificates]
		(*If the Certificates are Linked Remuneration Amount Certificates, complete letters (d) to (n) accordingly*)
(xi)	Remuneration Rate:	[Applicable/Not applicable]
	(Include one or more of the following Remuneration Rates Formulas if applicable):	[MFP Fixed Coupon applicable: [*Insert related provisions from Formulas Condition 5.1(a)*.]]
		[MFP Floating Coupon applicable: [*Insert related provisions from Formulas Condition 5.1(b)*.]]
		[MFP Mixed Coupon applicable: [*Insert related provisions from Formulas Condition 5.1(c)*.]]
		[MFP Digital Coupon applicable: [*Insert related provisions from Formulas Condition 5.1(d)*.]]
		[MFP Additional Digital Coupon applicable: [*Insert related provisions from Formulas Condition 5.1(e)*.]]
		[MFP Double Digital Coupon applicable: [*Insert related provisions from Formulas Condition*

5.1(f).]]

[MFP Corridor Digital Coupon applicable:

[*Insert related provisions from Formulas Condition 5.1(g)*.]]

[MFP Memory Snowball Digital Coupon applicable:

[*Insert related provisions from Formulas Condition 5.1(h)*.]]

[MFP Range Accrual Coupon applicable:

[*Insert related provisions from Formulas Condition 5.1(i)*.]]

[MFP – Digital Mixed Coupon applicable:

[*Insert related provisions from Formulas Condition 5.1(j)*.]]

[MFP – Double Digital Mixed Coupon:

[*Insert related provisions from Formulas Condition 5.1(k)*.]]

[MFP Ratchet Coupon applicable:

[*Insert related provisions from Formulas Condition 5.1(l)*.]]

[Weighted Mixed Coupon applicable:

[*Insert related provisions from Formulas Condition 5.1(m)*.]]

[Max Mixed Coupon applicable:

[*Insert related provisions from Formulas Condition 5.1(n)*.]]

[Single FX Vanilla Coupon applicable:

[*Insert related provisions from Formulas Condition 5.1(o)*.]]

[Single FI Digital Coupon applicable:

[*Insert related provisions from Formulas Condition 5.1(p)*.]]

[Single FX Digital Coupon applicable:

[*Insert related provisions from Formulas Condition 5.1(q)*.]]

[Range Accrual Coupon applicable:

[*Insert related provisions from Formulas Condition 5.1(r)*.] (*If FI Digital Coupon is applicable, distinguish in "Rate" below, between the Rate which is FI Rate A and the Rate which is FI Rate B*)]

[Single FX Range Accrual Coupon applicable:

[*Insert related provisions from Formulas Condition 5.1(s)*.]]

[Single FX Memory Coupon applicable:

[*Insert related provisions from Formulas Condition 5.1(t)*.]]

[Multiple Combination Floater Coupon applicable:

[*Insert related provisions from Formulas Condition 5.1(u)*.]]

[PRDC Coupon applicable:

[*Insert related provisions from Formulas Condition 5.1(v)*.]]

[Single FI Digital Floor Coupon applicable:

[*Insert related provisions from Formulas Condition 5.1(w)*.]]

[Single FI Digital Cap Coupon applicable:

[*Insert related provisions from Formulas Condition 5.1(x)*.]]

[Single FI Target Coupon applicable:

[*Insert related provisions from Formulas Condition 5.1(y)*.]]

[Duration Adjusted Coupon applicable:

[*Insert related provisions from Formulas Condition 5.1(z)*.]]

[FX Wedding Cake Remuneration applicable:

[*Insert related provisions from Formulas Condition 5.1(aa)*.]]

[[Rate][Rate$_{(i)}$] [Rate 1$_{(i)}$] [Rate 2$_{(i)}$]: [*specify*]

(*If more than one fixed rate or floating rate is to be*

			determined, specify each such rate)]
			[Vanilla Call Rate
			[*Insert related provisions from Formulas Conditions*.]]
			[Vanilla Call Spread Rate
			[*Insert related provisions from Formulas Conditions*.]]
(b)	Fixed Rate Provisions:		[Applicable/Not applicable]
			(*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
			(*Specify if more than one fixed rate is to be determined*)
	(i)	Remuneration Rate[(s)]:	[*specify*] [Not applicable]
	(ii)	Fixed Remuneration Amount[(s)]:	[*specify*][Not applicable]
	(iii)	Broken Amount[(s)]:	[*specify*][Not applicable]
(c)	Floating Rate Provisions		[Applicable/Not applicable]
			(*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
			(*Specify if more than one floating rate is to be determined*)
	(i)	Manner in which Remuneration Rate to be determined:	[Screen Rate Determination/ISDA Determination/ CMS Rates Determination]
	(ii)	Linear Interpolation:	[Not applicable/Applicable – the Remuneration Rate

			for the [long/short] [first/last] Remuneration Period beginning on [ ] and ending on [ ] shall be calculated using linear interpolation (*specify for each short or long interest period*)]
(iii)	[Screen Rate Determination][CMS Rates Determination]:		[Applicable/Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(a)	[Reference Rate:	[EURIBOR] [LIBOR] [LIBID] [LIMEAN] [CMS] [*specify relevant yield of Government securities*]
	(b)	Specified Duration:	[*specify*]
	(c)	Rate Multiplier:	[*specify*] [Not applicable]
	(d)	Reference Rate Multiplier:	[*specify*] [Not applicable]
	(e)	Remuneration Determination Date(s):	[*specify*] (*Typically second London business day prior to the start of each Remuneration Period if LIBOR (other than Sterling or euro LIBOR), first day of each Remuneration Period if Sterling LIBOR and the second TARGET Settlement Day prior to the start of each Remuneration Period if EURIBOR or euro LIBOR)*
	(f)	Relevant Determination Time	[*specify*] [*For example, 11.00 a.m. [London / Brussels] time / other (give details)*]
	(g)	Relevant Rate Screen Page:	[*specify*]] (*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)
	(h) Reference Banks	[*specify*] [Not applicable]
	(i) Relevant Financial Centre	[ ] [*For example, London/Euro-zone (where Euro-zone means the region comprised of the countries whose lawful currency is the euro/other (give details)*]
	(iv) ISDA Determination:	[Applicable/Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(a) [Floating Rate Option:	[*specify*]
	(b) Designated Maturity:	[*specify*]
	(c) Reset Date:	[*specify*]] (*N.B. The fallback provisions applicable to ISDA Determination under the 2006 ISDA Definitions are reliant upon the provision by reference banks of offered quotations for LIBOR and/or EURIBOR which, depending on market circumstances, may not be available at the relevant time*)
(d)	Linked Remuneration Amount Certificates	[Applicable – see [Index/Share/ETI/Debt/Commodity/ Inflation Index/Currency/Fund/Futures] Linked Remuneration Amount Certificates below/Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(e)	Index Linked Remuneration Amount	[Applicable/Not applicable]

Certificates:		
		(*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Index/Basket of Indices/Index Sponsor(s):	[*specify name of Index/Indices*] [specify name of Index Sponsor(s)] [The [●] Index is a [Component Security]/[Multi-Exchange] Index][21]
(ii)	Averaging:	Averaging [applies/does not apply]. [The Averaging Dates are [●].] [In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement] [the provisions of Annex 2] will apply.]
(iii)	Remuneration Valuation Time:	[*specify*]
(iv)	Remuneration Valuation Date(s):	[*specify*]
(v)	Index Correction Period	[As per Index Security Condition 1/*specify*]
(vi)	Observation Dates:	[*specify*] [In the event that an Observation Date is a Disrupted Day [Omission/Postponement/Modified Postponement][the provisions of Annex 2 (*Additional Terms and Conditions for Index Securities*)] will apply.][Observation Day Disruption Consequences are not applicable.]

[21] Specify each Component Security Index and/or Multi-Exchange Index (if any).

(vii)	Observation Period:	[*specify*]
(viii)	Specified Maximum Days of Disruption:	[*specify*] [Scheduled Trading Days]]
(ix)	Exchange(s):	[*specify*]
(x)	Related Exchange(s):	[*specify*]/[All Exchanges]
(xi)	Exchange Business Day:	[Single Index Basis/All Indices Basis/Per Index Basis] [Exchange/Related Exchange: Applicable]
(xii)	Scheduled Trading Day:	[Single Index Basis/All Indices Basis/Per Index Basis] [Exchange/Related Exchange: Applicable] (*must match election made for Exchange Business Day*)
(xiii)	Settlement Price:	[Official opening level]/[Official closing level]/[level at the Valuation Time] /[Index Securities Condition 5 (Futures Price Valuation) applies] [First Traded Price Applicable]
(xiv)	Weighting:	[The weighting to be applied to each item comprising the Basket of Indices to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment in accordance with Annex 2 (*Additional Terms and Conditions for Index Securities)*] [*specify other*]. (*N.B. Only applicable in relation to Securities relating to a Basket of Indices*)/Not Applicable]
(xv)	Settlement on Occurrence of an Index Adjustment Event:	[Delayed Settlement on Occurrence of an Index Adjustment Event: [Applicable/Not applicable] [*If applicable:*

			Principal Protected Termination Amount: [Applicable/Not applicable]] [Highest Value: [Applicable/Not applicable]] [Market Value: [Applicable/Not applicable]] [Monetisation Option: [Applicable/Not applicable]] [*If Principal Protected Termination Amount, Highest Value or Monetisation Option are applicable*: Protected Amount: [*specify*] per cent. of the Notional Amount] [If the Calculation Agent determines an Index Adjustment Event constitutes a force majeure, Index Security Condition 3.2(c)(vi) applies]
(xvi)	Futures Price Valuation:		[Applicable/Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(A)	Rolling Futures Contract Securities:	[Yes/No] [Related Hedging: Not applicable]
	(B)	Exchange-traded Contract:	[*specify*]/[*If the Index Securities are Rolling Futures Contract Securities*: Index Security Condition 5.2 applies]
	(C)	Delivery or expiry month:	[*specify*]/[Not applicable] (*Not applicable in the case of Index Securities that are Rolling Futures Contract Securities*)

(D)	Period of Exchange-traded Contracts:	[*specify*]/[Not applicable] (*Only applicable in case of Index Securities that are Futures Rollover Securities*)
(E)	Futures or Options Exchange:	[*specify*]
(F)	Futures Rollover [Date/Period]:	[Not applicable]/[*specify*]
(G)	Relevant FTP Screen Page:	[*specify*]/[Not applicable]
(H)	Relevant Futures or Options Exchange Website:	[specify]/[Not applicable]
(I)	Cut-off Time:	[*specify*]/[Not applicable]
(J)	Settlement on Occurrence of a Non-Commencement or Discontinuance of an Exchange-traded Contract:	[Delayed Settlement on Occurrence of a Non-Commencement or Discontinuance of an Exchange-traded Contract: [Applicable/Not applicable] [*If applicable*: Principal Protected Termination Amount: [Applicable/Not applicable]] [Highest Value: [Applicable/Not applicable]] [Market Value: [Applicable/Not applicable]] [Monetisation Option: [Applicable/Not applicable]] [*If Principal Protected Termination Amount, Highest Value or Monetisation Option are applicable*:

			Protected Amount: [specify] per cent. of the Notional Amount] [If the Calculation Agent determines a Non-Commencement or Discontinuance of an Exchange-traded Contract constitutes a force majeure, Index Security Condition [5.2(vi)] [and] [5.4(vi)] applies]
(f)	Share Linked Remuneration Amount Certificates:		[Applicable/Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Share(s)/Share Company/Basket Company/GDR/ADR:	[*insert type of Share(s) and Share Company/Basket Companies*] [GDR/ADR applicable] [*insert details of GDR/ADR*][22]
	(ii)	Relative Performance Basket:	[Not applicable/*specify*]
	(iii)	Share Currency:	[*specify*]
	(iv)	ISIN of Share(s):	[*specify*]
	(v)	Averaging:	Averaging [applies/does not apply]. [The Averaging Dates are [●].] [In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply.]
	(vi)	Remuneration Valuation	[*specify*]

[22] In the case of Share Linked Remuneration Certificates relating to a GDR/ADR, complete Share Linked Remuneration Certificates Final Terms as applicable for GDR/ADR references asset(s).

	Time:	
(vii)	Remuneration Valuation Date(s):	[*specify*]
(viii)	Observation Dates:	[*specify*] [In the event that an Observation Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply.] [Observation Day Disruption Consequences are not applicable.]
(ix)	Observation Period:	[*specify*]
(x)	Specified Maximum Days of Disruption:	[[*specify*] [Scheduled Trading Days]]
(xi)	Exchange(s):	[*specify*]
(xii)	Related Exchange(s):	[*specify*]/[All Exchanges]
(xiii)	Exchange Business Day:	[Single Share Basis/All Shares Basis/Per Share Basis]
(xiv)	Scheduled Trading Day:	[Single Share Basis/All Shares Basis/Per Share Basis] (*must match election made for Exchange Business Day*)
(xv)	Settlement Price:	[Official closing price]/[Italian Securities Reference Price]/[price at the Valuation Time] [AQR: Applicable. The Settlement Price is [*specify*]]
(xvi)	Closing Price:	[Official closing price] [VWA Closing Price] [AQR: Applicable. The Closing Price is [*specify*]]
(xvii)	Weighting:	[The weighting to be applied to each item comprising

		the Basket of Shares to ascertain the Settlement Price is [*specify*]. Each such Weighting shall be subject to adjustment [in accordance with Annex 3 *(Additional Terms and Conditions for Share Securities)*]/[*specify other*]. (*N.B. Only applicable in relation to Securities relating to a Basket of Shares*)]
(xviii)	Settlement on Occurrence of an Extraordinary Event:	[Delayed Settlement on Occurrence of an Extraordinary Event: [Applicable/Not applicable] [*if applicable:* Principal Protected Termination Amount: [Applicable/Not applicable]] [Highest Value: [Applicable/Not applicable]] [Market Value: [Applicable/Not applicable]] [Monetisation Option: [Applicable/Not applicable]] [*If Principal Protected Termination Amount, Highest Value or Monetisation Option are applicable:* Protected Amount: [*specify*] per cent. of the Notional Amount] [If the Calculation Agent determines that an Extraordinary Event constitute a force majeure, Share Security Condition [5.2(b)(iii)] [or] [5.2(c)(vi)] applies]
(xix)	Share Correction Period	[As per Share Security Condition 1/*specify*]
(xx)	Dividend Payment:	[Applicable/Not applicable]
(xxi)	Listing Change	[Applicable/Not applicable]
(xxii)	Listing Suspension:	[Applicable/Not applicable]

(xxiii)	Illiquidity:	[Applicable/Not applicable]
(xxiv)	Tender Offer:	[Applicable/Not applicable][23]
(xxv)	CSR Event:	[Applicable/Not applicable]
(xxvi)	Hedging Liquidity Event:	[Applicable/Not applicable] [Maximum Hedging Liquidity Level: [[●] per cent.]/[As per Share Security Condition 5.3]]
(xxvii)	Dividend Protection:	[Applicable][Not applicable] *[(N.B. Only applicable if Normal Performance applies to the Securities)]* *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	• Adjustments:	If a Dividend Event occurs during the period from, the Issue Date, excluded, to the Exercise Date, included, as determined by the Calculation Agent in its sole discretion, the Calculation Agent may, in its sole and absolute discretion, adjust: [the Strike Level, the Cap Level and the Initial Reference Level by multiplying such levels by the Adjustment Factor K (rounded to the fourth decimal digit);] [ ]
	• Cap Level	[ ]
	• Scheduled Dividend:	[The Scheduled Dividend is, for each Scheduled Ex-Date specified below, an

[23] Only to be disapplied for Tokyo EQD Securities.

amount per Share equal to:]

Scheduled Ex-Date	Scheduled Dividend Amount
[ ]	[ ]
[ ]	[ ]

[ ]

(g) ETI Linked Remuneration Amount Certificates: [Applicable/Not applicable]

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

(i) ETI/ETI Basket: [*specify*]

(ii) ETI Interest(s): [*Insert type of ETI Interest(s)]*

(iii) Averaging: Averaging [applies/does not apply]. [The Averaging Dates are [●].]

(iv) Exchange(s): [*specify*]/[Not applicable]

(v) Related Exchange: [*specify*]/[All Exchanges]/[Not applicable]

(vi) Exchange Business Day: [All ETI Interests Basis/Per ETI Interest Basis/Single ETI Interest Basis]

(vii) Scheduled Trading Day: [All ETI Interests Basis/Per ETI Interest Basis/Single ETI Interest Basis]

(viii) ETI Related Party: [As per ETI Security Condition 1]/[*specify*]

(ix) ETI Documents: [As per ETI Security Condition 1]/[*specify*]

(x)	Calculation Date(s):	[As per ETI Security Condition 1]/[*specify*]
(xi)	Initial Calculation Date:	[*specify*]/[Not applicable]
(xii)	Final Calculation Date:	[*specify*]/[Not applicable]
(xiii)	Hedging Date:	[*specify*] /[Not applicable]
(xiv)	Investment/AUM Level:	[As per ETI Security Condition 1][*specify*] /[Not applicable]
(xv)	Value per ETI Interest Trading Price Barrier:	[As per ETI Security Condition 1][*specify*] /[Not applicable]
(xvi)	Number of Value Publication Days:	[[●] calendar days] [[●] Value Business Days] /[Not applicable] [Value Business Day Centre(s): [*specify*] *(N.B. Only applicable if Number of Value Publication Days is calculated by reference to Value Business Days)*]
(xvii)	Value Trigger Percentage:	[As per ETI Security Condition 1][*specify*] /[Not applicable]
(xviii)	Value Trigger Period:	[As per ETI Security Condition 1][*specify*] /[Not applicable]
(xix)	Basket Trigger Level:	[As per ETI Security Condition 1][*specify*] /[Not applicable]
(xx)	Settlement Price/Closing Price:	[Official closing price]/[Value per ETI Interest] / [price at the Valuation Time]
(xxi)	Valuation Time:	[*specify*]

(xxii)	Specified Maximum Days of Disruption:	[As per ETI Security Condition 1]/[*specify*] /[Not applicable]
(xxiii)	Additional Extraordinary ETI Event(s):	[specify]/[Not applicable]
(xxiv)	Remuneration Valuation Time:	[*specify*]
(xxv)	Remuneration Valuation Date:	[*specify*]
(xxvi)	Maximum Stock Loan Rate:	[The Maximum Stock Loan Rate in respect of [*specify in relation to each relevant ETI Interest*] is [●].]/[Not applicable]
(xxvii)	ETI Interest Correction Period:	[As per ETI Security Condition 1]/ [specify]/[Not applicable]
(xxviii)	Termination Amount:	[specify]/[Principal Protected Termination Amount]/[Non-Principal Protected Termination Amount]/[Not applicable]
(xxix)	Simple Interest Spread:	[As per ETI Security Condition 1]/[specify]/[Not applicable]
(xxx)	Termination Date:	[*specify*]
(xxxi)	Weighting:	[The Weighting to be applied to each ETI Interest comprising the ETI Basket is [*specify*]]/[Not applicable]
(xxxii)	[Protected Amount:	[*If Delayed Settlement on Occurrence of an Extraordinary ETI Event and Principal Protected Termination Amount are applicable*: [*specify*] per cent. of the Notional Amount]
(xxxiii)	Delayed Settlement on Occurrence of an	[Applicable/Not applicable]

Extraordinary ETI Event:

(h)	Debt Linked Remuneration Amount Certificates:		[Applicable/Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Debt Instruments:	[*specify*] [Not applicable] (*Not applicable if Futures Price Valuation applicable*)
	(ii)	Averaging:	Averaging [applies/does not apply]. [The Averaging Dates are [●].] [In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply.]
	(iii)	Remuneration Valuation Time:	[*specify*]
	(iv)	Remuneration Valuation Date:	[*specify*]
	(v)	Observation Dates:	[*specify*] [In the event that an Observation Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply.] [Observation Day Disruption Consequences are not applicable.]
	(vi)	Observation Period:	[*specify*]
	(vii)	Specified Maximum Days of Disruption:	[[*specify*] Scheduled Trading Days] [Not applicable] (*Not applicable if Futures Price Valuation applicable*)
	(viii)	Exchange Business Day Centre(s):	[*specify*]
	(ix)	Nominal Amount:	[The relevant nominal amount is [●] and the Relevant

		Screen Page is [●].][Not applicable] (*Not applicable if Futures Price Valuation applicable*)
(x)	Reference Price:	[The Reference Price[s] for [*insert relevant Debt Instrument(s)*] is/are the [bid price]/[mid price]/[offer price]/[bid yield]/[mid yield]/[offer yield].] [Not applicable] (*Not applicable if Futures Price Valuation applicable*)
(xi)	Delayed Settlement on Occurrence of Debt Instrument Redemption Event:	[Applicable/Not applicable] [*If applicable:* Principal Protected Termination Amount: [Applicable/Not applicable] [*If Principal Protected Termination Amount is applicable*: Protected Amount: [*specify*] per cent. of the Notional Amount] (*Not applicable if Futures Price Valuation applicable*)
(xii)	Debt Instrument Correction Period:	[As per Debt Security Condition 11]/ [specify] /[Not applicable] (*Not applicable if Futures Price Valuation applicable*)
(xiii)	Debt Instrument Issuer:	[specify]/[Not applicable] (*Not applicable if Futures Price Valuation applicable*)
(xiv)	Weighting:	[Not applicable/The weighting to be applied to each item comprising the Basket of Debt Instruments to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment.]

(xv)	Futures Price Valuation:		[Applicable]/[Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(A)	Rolling Futures Contract Securities:	[Yes/No]
	(B)	Exchange-traded Contract:	[*Specify*]/[*If the Debt Securities are Rolling Futures Contract Securities:* Debt Security Condition 7 applies]
	(C)	Synthetic Debt Instrument:	[*include description of the key terms of the synthetic debt instrument*]
	(D)	Delivery or expiry month:	[*Specify*]/[Not applicable] (*Not applicable in the case of Debt Securities that are Rolling Futures Contract Securities*)
	(E)	Period of Exchange-traded Contracts:	[*Specify*]/[Not applicable] (*Only applicable in the case of Debt Securities that are Rolling Futures Contract Securities*)
	(F)	Futures or Options Exchange:	[*Specify*]
	(G)	Futures Rollover [Date/Period]:	[Not applicable]/[*Specify*]
	(H)	Delayed Settlement on Occurrence of a Non-Commencement or Discontinuance of	[Applicable/Not applicable] [*If applicable:* Principal Protected Termination Amount: [Applicable/Not applicable]

		an Exchange-traded Contract:	[*If Principal Protected Termination Amount is applicable: Protected Amount*: [*specify*] per cent. of the Notional Amount]
	(I)	Daily Settlement Price Correction Period:	[As per Debt Security Condition 11][*Specify*]
(i)	Commodity Linked Remuneration Amount Certificates:		[Applicable/Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Commodity/ Commodities/Commodity Index/Commodity Indices:	[specify Commodity/Commodities/Commodity Index/Commodity Indices] [The Sponsor[s] of the Commodity [Index/Indices] [is/are] [●]]
	(ii)	Remuneration Pricing Date(s):	[*specify*]
	(iii)	Initial Remuneration Pricing Date:	[*specify*]
	(iv)	Final Remuneration Pricing Date:	[*specify*]
	(v)	Commodity Reference Price:	[*specify*] The Price Source is/are [●][24]
	(vi)	Delivery Date:	[*specify*]/[Not applicable]

[24] Delete if using automated Commodity Reference Prices

(vii)	Nearby Month:	[*specify*]/[Not applicable]
(viii)	Specified Price:	[*specify*]/[Not applicable]
(ix)	Exchange:	[*specify*]/[Not applicable]
(x)	Disruption Fallback(s):	[*specify*] /[As per Commodity Security Condition 1]
(xi)	Trading Disruption:	[specify]/[Not applicable]
(xii)	Remuneration Valuation Time:	[*specify*]
(xiii)	Specified Maximum Days of Disruption:	[As per Commodity Security Condition 1]/[*specify*][25]
(xiv)	Weighting:	[The Weighting to be applied to each item comprising the Commodity Basket is [*specify*]]/[Not applicable]
(xv)	Rolling Futures Contract Securities:	[Yes/No]
(xvi)	Futures Rollover [Date/Period]:	[Not applicable]/[specify]
(xvii)	Settlement following Market Disruption Event or Commodity Index Adjustment Event:	[Commodity Security Condition 3(c)(i) applies]/[Highest Value]/[Monetisation Option]/[Market Value] [If Highest Value or Monetisation Option are applicable: Protected Amount: [specify] per cent. of the Notional Amount]] [If the Calculation Agent determines a Market Disruption Event or Commodity Index Adjustment Event constitutes a force majeure, Commodity Security Condition [3(c)(v)] [or] [4(b)(v)],

[25] Only applicable in respect of Commodity Securities linked to a single Commodity.

			respectively, applies]
(j)	Inflation Index Linked Remuneration Amount Certificates:		[Applicable/Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*) *(If more than one Inflation Rate is to be determined, repeat items below as applicable for each such Inflation Rate and, if FI Digital Coupon is applicable, distinguish between the Inflation Rate which is FI Rate A and the Inflation Rate which is FI Rate B)*
	(i)	Inflation Index/Inflation Indices/Inflation Index Sponsor:	[*specify name of inflation index/indices*] [*specify name of inflation index sponsor(s)*]
	(ii)	Related Bond:	[Applicable/Not applicable] [*if applicable, specify*]
	(iii)	Issuer of Related Bond:	[Applicable/Not applicable] [If applicable, specify]
	(iv)	Fallback Bond:	[Applicable/Not applicable] [If applicable, specify]
	(v)	Related Bond Redemption Event:	[Applicable/Not applicable] [*if applicable, specify*]
	(vi)	Settlement Price:	[specify]
	(vii)	Substitute Inflation Index Level:	[As determined in accordance with Annex 7 *(Additional Terms and Conditions for Inflation Index Securities)*] [*specify*]
	(viii)	Cut-off Date:	In respect of a [Valuation Date], the day that is [*specify*] Business Days prior to such [Valuation Date].
	(ix)	Remuneration Valuation Date:	[*specify*]

	(x)	Reference Month:	[*specify*]
	(xi)	Currency Adjustment:	[Applicable/Not applicable]
	(xii)	Inflation Index Level Adjustment:	[Applicable/Not applicable]
	(xiii)	Index Cancellation	[Inflation Index Security Condition 4.7(b)(i) applies]/[Highest Value]/[Monetisation Option]/[Market Value] [*If Highest Value or Monetisation Option are applicable:* Protected Amount: [*specify*] per cent. of the Notional Amount] [If the Calculation Agent determines an Index Cancellation constitutes a force majeure, Inflation Index Security Condition 4.7(b)(v) applies]
(k)	Currency Linked Remuneration Amount Certificates:		[Applicable/Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	The relevant base currency (the "**Base Currency**") is:	[*specify*]
	(ii)	The relevant alternative [currency/currencies] ([the]/[each a] "**Alternative Currency**") [is/are]:	[*specify*]
	(iii)	Weighting:	[*specify*]
	(iv)	Price Source:	[*specify*]
	(v)	Specified Maximum Days of Disruption:	[*specify*]/[five] Scheduled Trading Days

(vi)	Averaging Date(s):	[*specify*] [Currency Convention: [As per Currency Security Condition 1]/[Preceding Currency Convention]/[Modified Following Currency Convention]]
(vii)	Observation Date(s):	[*specify*] [Currency Convention: [As per Currency Security Condition 1]/[Preceding Currency Convention]/[Modified Following Currency Convention]]
(viii)	Strike Date:	[*specify*] [Currency Convention: [As per Currency Security Condition 1]/[Preceding Currency Convention]/[Modified Following Currency Convention]]
(ix)	Relevant Screen Page:	[*specify*]
(x)	Valuation Time:	[*specify*]
(xi)	Remuneration Valuation Date:	[*specify*] [Currency Convention: [As per Curreny Security Condition 1]/[Preceding Currency Convention]/[Modified Following Currency Convention]]
(xii)	Settlement on Occurrence of a Disruption Event:	[Illiquidity Disruption: Not applicable] [Disruption Event Postponement: Not applicable] [Delayed Settlement on Occurrence of a Disruption Event: [Applicable/Not applicable]]

[*if applicable*: Principal Protected Termination Amount: [Applicable/Not applicable]

[Highest Value: [Applicable/Not applicable]]

[Market Value: [Applicable/Not applicable]]

[Monetisation Option: [Applicable/Not applicable]]

[*If Principal Protected Termination Amount, Highest Value or Monetisation Option are applicable*: Protected Amount: [*specify*] per cent. of the Notional Amount]

[If the Calculation Agent determines that a Disruption Event constitutes a force majeure, Currency Security Condition 3(b)(vi) applies]

(xiii) Futures Price Valuation: [Applicable/Not applicable]

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

(A) Rolling Futures Contract Securities: [Yes/No]

(B) Exchange-traded Contract: [*Specify*]/[*If the Currency Securities are Rolling Futures Contract Securities:* Currency Security Condition 6 applies]

(C) Currency Pair: [*specify*]

(D) ISIN: [*specify*]

(E) Expiry month: [*specify*]/[Not applicable]

		(*Not applicable in the case of Currency Securities that are Rolling Futures Contract Securities*)
(F)	Period of Exchange-traded Contract:	[*specify*]/[Not applicable] (*Only applicable in the case of Currency Securities that are Rolling Futures Contract Securities*)
(G)	Futures or Options Exchange:	[*specify*]
(H)	Futures Rollover [Date/Period]:	[Not applicable]/[*specify*] (*Not applicable in the case of Currency Securities that are not Rolling Futures Contract Securities*)
(I)	Delayed Settlement on Occurrence of a Non-Commencement or Discontinuance of an Exchange-traded Contract:	[Applicable/Not applicable] [*If applicable:* Principal Protected Termination Amount: [Applicable/Not applicable] *If Principal Protected Termination Amount is applicable:* Protected Amount: [*specify*] per cent. of the Notional Amount]
(J)	Daily Settlement Price Correction Period:	[As per Currency Security Condition 5]/[*specify*]

(l)	Fund Linked Remuneration Amount Certificates:	[Applicable/Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)

(i)	Fund/Fund Basket:	[*specify Fund/Fund Basket*] [SC/FM Fund Events: Applicable]
(ii)	Fund Share(s):	[*specify*]
(iii)	Fund Documents:	[As per Fund Security Condition 1][*specify*]
(iv)	Observation Dates:	[*specify*]
(v)	Fund Business Day:	[All Fund Share Basis/Per Fund Share Basis/Single Fund Share Basis]
(vi)	Maximum Days of Disruption:	[As per Fund Security Condition 1]/[*specify*]
(vii)	Fund Service Provider:	[As per Fund Security Condition 1]/[*specify*]
(viii)	Remuneration Valuation Date:	[*specify*]
(ix)	Calculation Date(s):	[As per Fund Security Condition 1]/[*specify*]
(x)	Initial Calculation Date:	[As per Fund Security Condition 1]/[*specify*]
(xi)	Final Calculation Date:	[*specify*]
(xii)	Hedging Date:	[*specify*]
(xiii)	AUM Level:	[*specify*]
(xiv)	NAV Trigger Percentage:	[*specify*]
(xv)	NAV Trigger Period:	[As per Fund Security Condition 1]/[*specify*]
(xvi)	Number of NAV Publication Days:	[As per Fund Security Condition 1]/[*specify*]

(xvii)	Basket Trigger Level:	[As per Fund Security Condition 1]/[*specify*]
(xviii)	Termination Amount:	[Principal Protected Termination Amount]/[Non-Principal Protected Termination Amount]/[*specify*]/[Market Value]/[Highest Value]/[Monetisation Option] [Fund Event Force Majeure: Applicable]
(xix)	Simple Interest Spread:	[As per Fund Security Condition 1]/[*specify*]
(xx)	Termination Date:	[*specify*]
(xxi)	Weighting:	[The Weighting to be applied to each Fund Share comprising the Fund Basket is [*specify*]/[Not Applicable]
(xxii)	Delayed Settlement on Occurrence of an Extraordinary Fund Event:	[Applicable/Not applicable]
(xxiii)	Delayed Payment Cut-off Date:	[As per Fund Security Condition 1]/[specify]
(xxiv)	Fund Event Force Majeure:	[Applicable/Not applicable]
(xxv)	Settlement Price:	[NAV per Fund Share][The sum of the values calculated in respect of each Basket Component as the NAV per Fund Share of such Basket Component multiplied by the relevant Weighting]
(xxvi)	[Protected Amount:	[*If Highest Value, Monetisation Option or Delayed Settlement on Occurrence of an Extraordinary Fund Event and Principal Protected Termination Amount are applicable*: [*specify*] per cent. of the Notional Amount]
(xxvii)	Settlement on Occurrence	[Delayed Settlement on Occurrence of a Fund Index

	of a Fund Index Adjustment Event:	Adjustment Event: [Applicable/Not applicable] [*If applicable:* Principal Protected Termination Amount: [Applicable/Not applicable]] [Highest Value: [Applicable/Not applicable]] [Market Value: [Applicable/Not applicable]] [Monetisation Option: [Applicable/Not applicable]] [*If Principal Protected Termination Amount, Highest Value or Monetisation Option are applicable:* Protected Amount: [*specify*] per cent. of the Notional Amount]
(m)	Futures Linked Remuneration Amount Certificates:	[Applicable/Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Futures:	[*insert type of Future(s)*]
(ii)	Averaging:	Averaging [applies/does not apply]. [The Averaging Dates are [●].] [In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply.]
(iii)	Remuneration Valuation Time:	[*specify*]
(iv)	Remuneration Valuation Date:	[*specify*]
(v)	Observation Dates:	[*specify*] [In the event that an Observation Date is a Disruption

		Day [Omission/Postponement/Modified Postponement] will apply.] [Observation Day Disruption Consequences are not applicable.]
(vi)	Observation Period:	[*specify*]
(vii)	Specified Maximum Days of Disruption:	[*specify*] [Scheduled Trading Days]
(viii)	Exchange(s):	[*specify*]
(ix)	Exchange Business Day:	[Single Future Basis/All Futures Basis/Per Futures Basis]
(x)	Scheduled Trading Day:	[Single Future Basis/All Futures Basis/Per Futures Basis] (*must match election made for Exchange Business Day*)
(xi)	Settlement Price:	[Official closing price]/[price at the Valuation Time]
(xii)	Weighting:	[The weighting to be applied to each item comprising the Basket to ascertain the Settlement Price is [*specify*]. Each such Weighting shall be subject to adjustment [in accordance with Annex 10 (*Additional Terms and Conditions for Futures Securities*)]/[*specify other*]. [Not Applicable](*N.B. Only applicable in relation to Securities relating to a Basket*)]
(xiii)	Futures Correction Period:	[As per Futures Security Conditions 1]/[specify]
(xiv)	Settlement on Occurrence of a Futures Adjustment Event:	[Delayed Settlement on Occurrence of Futures Adjustment Event: [Applicable/Not applicable] [*If applicable:* Principal Protected Termination Amount: [Applicable/Not applicable]]

		[Highest Value: [Applicable/Not applicable]] [Market Value: [Applicable/Not applicable]] [Monetisation Option: [Applicable/Not applicable]] [*If Principal Protected Termination Amount, Highest Value or Monetisation Option are applicable*: Protected Amount: [*specify*] per cent. of the Notional Amount] [If the Calculation Agent determines a Futures Adjustment Event constitutes a force majeure, Futures Security Condition 3.1(b)(vi) applies]
(n)	Underlying Interest Rate Linked Remuneration Amount Provisions	[Applicable/Not applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph.)* *(if applicable, identify each Underlying Interest Rate$_{(i)}$ which is a Multiple Underlying Component Rate)*
	(i) Underlying Interest Determination Date(s):	[*specify*] (*If more than one [Underlying Interest Rate] is to be determined, include the following language: "Underlying Interest Rate$_1$:"*)
	(ii) Manner in which the Underlying Interest Rate is to be determined:	[Screen Rate Determination/ISDA Determination]
	(A) [Screen Rate Determination:	[Applicable]/[Not applicable]

			(*if not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(a)	Underlying Reference Rate:	[*specify*] *(Either LIBOR, EURIBOR or other)*
	(b)	Specified Time:	[*specify*] *(which will be 11:00 am, London time, in the case of LIBOR, or 11:00 am, Brussels time, in the case of EURIBOR)*
	(c)	Relevant Screen Page:	[*specify*]]
(B)	ISDA Determination		[Applicable]/[Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(a)	[Floating Rate Option:	[*specify*]
	(b)	Designated Maturity:	[*specify*]
	(c)	Reset Date:	[*specify*]]

(*N.B. The fallback provisions applicable to ISDA Determination under the 2006 ISDA Definitions are reliant upon the provision by reference banks of offered quotations for LIBOR and/or EURIBOR which, depending on market circumstances, may not be available at the relevant time*)

(iii) Underlying Margin(s): [[+/-][●] per cent. per annum]/[Not Applicable]

(iv) Minimum Underlying Reference Rate: [[●] per cent. per annum]/[Not Applicable]

(v) Maximum Underlying Reference Rate: [●] per cent. per annum

(If more than one [Underlying Interest Rate] is to be determined, include the following language: "Underlying Interest Rate$_2$:" *and repeat items [(ii) to (v)]*.

(*Repeat for each Underlying Interest Rate.)*

46. EXERCISE, VALUATION AND SETTLEMENT

(a) [Instalment Certificates: The Certificates [are/are not] Instalment Certificates.

[The Instalment Certificates [are/are not] Instalment Certificates (with NA Adjustment)]

(i) Instalment Amount(s) [*specify*]

[NA × Instalment Percentage

Instalment Percentage: [●] per cent.]

(ii) Instalment Date(s): [*specify*]]

(b)	[Issuer Call Option:][26]		[Applicable/Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*) [European Style] [American Style]
	(i)	Call Option Exercise Notice Period	[*specify*]
	(ii)	Optional Settlement Date (Call)	[*specify*] [The day falling [•] Business Days following the Optional Settlement Valuation Date] *(Insert if Call Payout Forex DivReinvested Fees Securities 1 or Call Payout Capitalised Call and Put Securities is applicable)*
	(iii)	Optional Settlement Valuation Date(s):	[*specify*] [The date designated as the Optional Settlement Valuation Date by the Issuer in the notice of settlement, being the day falling [•] Business Days after the notice referred to in Security Condition 17.7 has been delivered to the Securityholders in accordance with Security Condition 8 *(Insert if Call Payout Forex DivReinvested Fees Securities 1 or Call Payout Capitalised Call and Put Securities is applicable)*]
	(iv)	Optional Cash Settlement Amount (Call):	[NA × [●] per cent.] [Call Payout Forex DivReinvested Fees Securities 1]

[26] Where applicable, there will be a minimum notice period of 5 Business Days.

		[*Insert related provisions from Formulas Condition 4.1(a).*]]
		[Call Payout Capitalised Call and Put Securities]
		[*Insert related provisions from Formulas Condition 4.1(b).*]]
		[Call Payout Leverage Factor Securities]
		[*Insert related provisions from Formulas Condition 4.1(c).*]]
		[MFP Call Payout]
		[*Insert related provisions from Formulas Condition 4.1(d).*]]
		[Leveraged Certificates Call Payout]
		[*Insert related provisions from Formulas Condition 4.1(e).*]]
(v)	Call Option Condition	[Applicable/Not applicable]
		(*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(A) Call Option Event	[A Call Option Event shall be deemed to have occurred if [ ].] (*Insert relevant value(s) and related provisions from Conditions*)
	(B) Call Option Exercise Valuation Date	[*specify*][Not applicable]

(C)	Call Option Exercise Valuation Period	[*specify*][Not applicable]
(D)	Call Option Exercise Valuation Time	[*specify*][Not applicable]
(E)	Optional Condition Settlement Valuation Date (Call)	[*specify*]
(F)	Optional Condition Settlement Date (Call)	[*specify*]
(G)	Optional Condition Cash Settlement Amount (Call)	[NA × [●] per cent.] [Call Payout Forex DivReinvested Fees Securities 1] [*Insert related provisions from Formulas Condition 4.1(a)*.]] [Call Payout Capitalised Call and Put Securities] [*Insert related provisions from Formulas Condition 4.1(b)*.]] [Call Payout Leverage Factor Securities] [*Insert related provisions from Formulas Condition 4.1(c)*.]] [MFP Call Payout] [*Insert related provisions from Formulas Condition 4.1(d)*.]] [Leveraged Certificates Call Payout]

			[*Insert related provisions from Formulas Condition 4.1(e)*.]]
(c)	[Securityholders Put Option:][27]		[Applicable/Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*) [European Style] [American Style]
	(i)	Put Option Exercise Notice Period	[*specify*]
	(ii)	Optional Settlement Date (Put):	[*specify*] [The day falling [ten] Business Days after the relevant Optional Settlement Valuation Date *(Insert if Put Payout Forex DivReinvested Fees Securities 1 is applicable)*]
	(iii)	Optional Settlement Valuation Date:	[*specify*] [The first Put Payout Forex DivReinvested Fees Securities 1 Valuation Date falling on or after the last day of the Put Option Exercise Notice Period in which notice of settlement is validly given in accordance with Security Condition 17.8. "**Put Payout Forex DivReinvested Fees Securities 1 Date**" means the [*specify*] day of [each month]/[each [*specify month*] in each year commencing [on [●]/the [calendar month]/[calendar year] after the Issue Date] or, if that is not a CV Calculation Day, the immediately [preceding/succeeding] CV Calculation Day

[27] Where applicable, there will be a minimum notice period of 5 Business Days.

(Insert if Put Payout Forex DivReinvested Fees Securities 1 is applicable)]

(iv) Optional Cash Settlement Amount (Put): [NA × [●] per cent.]

[Put Payout Forex DivReinvested Fees Securities 1]

[*Insert related provisions from Formulas Condition 3.1(a).*]]

[Put Payout Capitalised Call and Put Securities]

[*Insert related provisions from Formulas Condition 3.1(b).*]]

[Put Payout Leverage Factor Securities]

[*Insert related provisions from Formulas Condition 3.1(c).*]]

[MFP Put Payout

[*Insert related provisions from Formulas Condition 3.1(d).*]]

[Leveraged Certificates Put Payout

[*Insert related provisions from Formulas Condition 3.1(e).*]]

(d) [Automatic Early Settlement[28]: [Applicable/Not applicable]

(*If not applicable, delete the remaining sub-*

[28] Only applicable in relation to Index Securities, Share Securities, ETI Securities, Commodity Securities, Currency Securities, Fund Securities, Futures Securities and, in the case of FI Underlying Automatic Early Settlement Payout, Currency Securities and Underlying Interest Rate Securities. In respect of OET Certificates, refer to paragraph 41(i) above.

		paragraphs of this paragraph)
(i)	Automatic Early Settlement Event:	[Target Automatic Early Settlement Payout] [FI Underlying Automatic Early Settlement Payout] [FI Coupon Automatic Early Settlement Payout] [[Single] Standard Automatic Early Settlement [– Automatic Early Settlement Event 1]: "greater than"/"greater than or equal to"/"less than"/"less than or equal to"] [Standard Automatic Early Settlement – Automatic Early Settlement Event 2 Applicable: "greater than"/"greater than or equal to"/"less than"/"less than or equal to"] [Automatic Early Settlement Event 1 [and]/[or] Automatic Early Settlement Event 2] [As per Security Condition 17.5 [*Insert related provisions from Conditions.*]] [AES Knock-out: [Knock-out Event]/ [Knock-in Event] [*Insert related provisions from Conditions*.]] [Leveraged Automatic Early Settlement: Applicable [*Insert related provisions from Conditions*.]]
(ii)	Automatic Early Settlement Payout:	[Automatic Early Settlement Payout Capitalised Call and Put Securities 1] [*Insert related provisions from Formulas Condition 2.1(a)*.]] [Automatic Early Settlement Payout Capitalised Call

		and Put Securities 2] [*Insert related provisions from Formulas Condition 2.1(b).*]] [SFP Automatic Early Settlement Payout] [*Insert related provisions from Formulas Condition 2.1(c).*]] [MFP Automatic Early Settlement Payout] [*Insert related provisions from Formulas Condition 2.1(d).*]] [Leveraged Certificates Automatic Early Settlement Payout] [*Insert related provisions from Formulas Condition 2.1(e).*]] [Target Automatic Early Settlement Payout: [*Insert relevant provisions from Formulas Condition 2.1(f).*]] [FI Underlying Automatic Early Settlement Payout: [*Insert relevant provisions from Formulas Condition 2.1(g).*]] [FI Coupon Automatic Early Settlement Payout: [*Insert relevant provisions from Formulas Condition 2.1(h).*]]
(iii)	Early Settlement Entitlement	[Applicable]/[Not Applicable]

		[*if applicable:* The Early Settlement Entitlement in relation to each Security is: [an amount equal to: [*specify*]]/ [Entitlement Units; multiplied by the Entitlement Multiplier; [multiplied by the Weighting].] [Entitlement Units: [*specify*]] [Entitlement Multiplier: [*specify*]
(iv)	Automatic Early Settlement Date(s):	[*specify*]
(v)	Observation Price Source:	[*specify*]/[Not applicable]
(vi)	[Observation Time:	[At any time during the opening hours of the Exchange]/[*specify*]
(vii)	Observation Price:	[Official level]/[Opening price]/[Official close]/[Closing price]/[Purchase price]/[Sale price]/[Traded price]/[Bid price]/[Asked price]/[Last price]/[Official settlement price]/[Daily settlement price]/[Not applicable]]
(viii)	Capitalised Exercise Price Rounding Rule:	[[upwards/downwards] [●] digits]/[specify]] (*Include [(v) to (vii)] if Automatic Early Settlement Payout Capitalised Call and Put Securities 1 applies*)
(ix)	Underlying Reference Level [1]:	[*specify*]/[Official level]/[Official close]/[Last Price]/[Bid price]/[Asked price]/[Standard Price]/[Not applicable] MFP AES Valuation: [Applicable/Not applicable] [*If applicable Insert related provisions from*

		Conditions]
[(x)	Underlying Reference Level 2:	[*specify*]/[Standard Price][Last Price]/[Not applicable]]
[(xi)	MFP AES Valuation:	[Not applicable]/[Applicable]: [MFP AES Value [1]: [*insert relevant value(s) and related provisions from Conditions*] [MFP AES Value 2: [*insert relevant value(s) and related provisions from Conditions*]]]
(xii)	[(A)] Automatic Early Settlement Level [1]:	[*specify*]
	[(B) Automatic Early Settlement Level [2]:	[*specify*]]
	[AES Range Level:	[*specify*]]
	[AES Range Level 1:	[*specify*]]
	[AES Range Level 2:	[*specify*]]
(xiii)	Automatic Early Settlement Percentage(s):	[[●] per cent.]/[Not applicable]
(xiv)	AES Exit Rate:	[Not applicable] [AES Rate] [*Insert relevant provisions from Conditions*]

		[AES up Rate] [*Insert related provisions from Conditions*] [AES CSN Rate] [*Insert relevant provisions from Conditions*]
	(xv) Automatic Early Settlement Valuation Date(s)/Time/Period(s):	[*specify*]/[AES Knock-out Date]/[As per Security Condition 17.5(c)] [AES 1 Settlement Valuation [Date(s)/Period(s)]: [*specify*] [AES 2 Settlement Valuation [Date(s)/Period(s)]: [*specify*]] [*For Fixed Income payouts, consider whether this is the remuneration determination date (i.e. 2 business days prior to the Automatic Early Settlement Date)*]
	[(xvi) AES Event 1 Underlying[s]:	[See item [●] below]/[Not applicable]]
	[(xvii) AES Event 2 Underlying[s]:	[See item [●] below]/[Not applicable]]
	[(xviii) AES Event 1 Basket:	[Applicable]/[Not applicable]]
	[(xix) AES Event 2 Basket:	[Applicable]/[Not applicable]]]
(e)	[Strike Date:]	[*specify*]/[Not applicable] [Currency Convention: [As per Currency Security Condition 1]/[Preceding Currency Convention]/[Modified Following Currency Convention]]

(f)	[Strike Price:]	[*specify*] / [see item [●] above] / [Not applicable]
(g)	[Settlement Valuation Date:]	[*specify*]/[As specified in Condition [●] in relation to Open End Certificates] (*N.B. Where Automatic Exercise applies the Securities are Share Securities and the Shares are traded on the Italian regulated market organised and managed by Borsa Italiana insert "the [Scheduled Trading Day] immediately preceding the Exercise Date"*)/[Not applicable] [Currency Convention: [As per Currency Security Condition 1]/[Preceding Currency Convention]/[Modified Following Currency Convention]]
(h)	[Averaging:]	Averaging [applies/does not apply] to the Securities. [The Averaging Dates are [*specify*].] (*Not applicable to Inflation Index Securities*) [Currency Convention: [As per Currency Security Condition 1]/[Preceding Currency Convention]/[Modified Following Currency Convention]] [In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement] (as defined in Security Condition 3) will apply.] (*N.B. Not applicable to Commodity Securities*)
(i)	[Observation Dates:]	[*specify*]/[Not applicable] [Currency Convention: [As per Currency Security Condition 1]/[Preceding Currency Convention]/[Modified Following Currency Convention]] [In the event that an Observation Date is a Disrupted

		Day [Omission/Postponement/Modified Postponement] will apply.] [Observation Day Disruption Consequences are not applicable.] (*N.B. Not applicable to Commodity Securities*)
(j)	[Observation Period:]	[*specify*]/[Not applicable] (Not applicable to Inflation Index Securities)
(k)	[Settlement Business Day:]	"**Settlement Business Day**" for the purposes of Security Condition 4 means [*specify*]. [Not applicable] (*N.B. Only applicable in the case of Physical Delivery Securities*)
(l)	[Security Threshold on the Issue Date]:	[*Specify*] (*Only relevant for Italian Listed Securities where Single Final Payout Capitalised Call and Put Securities and/or Automatic Early Settlement Payout Capitalised Call and Put Securities 1 are applicable*)
(m)	[Record date for the purposes of [SeDeX][EuroTLX]:	[*Specify*]]

RESPONSIBILITY

The information contained in these Final Terms [[ ] has been extracted from [ ]. [Each of the] [The] Issuer [and the Guarantor] 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.]. [The Issuer [and the Guarantor] accept[s] responsibility for the information set out in these Final Terms.]

Signed on behalf of the relevant Issuer:

By:……. By: ……

Duly authorised Duly authorised

[Signed on behalf of the Guarantor:

By:…….. By: …….

Duly authorised Duly authorised]

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

(i)	Listing[29]:	[Official List of the [Euronext Dublin] [Luxembourg Stock Exchange]] [SeDeX] [EuroTLX]/[*specify other*]/[None]
(ii)	Admission to trading[30]:	[Application [has been made][is expected to be made] by the relevant Issuer (or on its behalf) for the Securities to be admitted to trading on [[the regulated market [of the [Euronext Dublin] [Luxembourg Stock Exchange] [SeDeX multilateral trading facility which is not a regulated market for the purpose of Directive Directive 2014/65/EU] [the multilateral trading facility of EuroTLX which is not a regulated market for the purpose of Directive 2014/65/EU] with effect from [ ]]/[*specify other*] [Not applicable] [The Issuer reserves the right to make [further] application[s] for the Securities to be admitted to listing and/or trading on [additional] markets/trading venues.] [[Mediobanca – Banca di Credito Finanziario S.p.A.]/[•] will act as Liquidity Provider with reference to the Securities traded on [•].] (*Where documenting a fungible issue need to indicate that original Securities are already admitted to trading.*)

2. RATINGS

Ratings:	The Securities to be issued have not been rated.

[29] Where application is only made for the Securities to be admitted to trading on a multilateral trading facility and no application for the admission to trading on a regulated market in the European Economic Area nor any offer in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive are provided for, this document will not constitute the Final Terms for the purposes of Article 5.4 of the Prospectus Directive but will constitute a pricing supplement.

[30] Where application is only made for the Securities to be admitted to trading on a multilateral trading facility and no application for the admission to trading on a regulated market in the European Economic Area nor any offer in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive are provided for, this document will not constitute the Final Terms for the purposes of Article 5.4 of the Prospectus Directive but will constitute a pricing supplement.

3. NOTIFICATION

[Not applicable.] [The Central Bank of Ireland [has been requested to provide/has provided – *include first alternative for an issue which is contemporaneous with the establishment or update of the Programme and the second alternative for subsequent issues*] the [*names of competent authorities of host member states*] with a certificate of approval attesting that the Base Prospectus [and the supplement thereto dated [ ]] has been drawn up in accordance with the Prospectus Directive.] [These Final Terms have been submitted to [*Commissione Nazionale per la Società e la Borsa* (CONSOB)] [ ] on [ ].]

4. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER/LISTING

[Not applicable] [Save for the fees payable to the [Dealer(s)/Distributors]/[*include other entities*],] so far as the relevant Issuer is aware, no [other] person involved in the [issue/offer/lisitng] of the Securities has an interest material to the [issue/offer/listing]. (*Amend as appropriate if there are other interests*)

5. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

(i)	Reasons for the offer:	[Not applicable] [ ] (*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.*)]
(ii)	Estimated net proceeds:	[Not applicable] [ ] (*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.*)]
(iii)	Estimated total expenses:	[Not applicable] [ ] [*Include breakdown of expenses*.](***)

6.	**YIELD [*Certificates paying remuneration at a fixed rate only*]**	[Not applicable]
	Indication of yield:	[ ] Calculated as [*include details of method of calculation in summary form*] on the Issue Date using [the ICMA

*** It is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.

Method] [ ].

As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price[,] [and] the [Remuneration Rate][and Fixed Remuneration Amount] [and the Broken Amount]. It is not an indication of future yield.

7. HISTORIC INTEREST RATES [*floating rate Certificates only*]

Historic interest rates:	[Not applicable] [Details of historic [EURIBOR/LIBOR/LIBID/LIMEAN/ *relevant yield of Government securities*/*relevant swap rate*] can be obtained from [Reuters]/[•].]

8. FURTHER INFORMATION PUBLISHED BY THE ISSUER *[Not applicable if the Securities are Credit Securities]*

[The Issuer does not intend to provide any further information on the past and future performance and/or volatility of the Underlying Reference. [The Issuer will provide further information relating to the past and future performance and/or volatility of the Underlying Reference on [*insert source [•]*] [and update the information on an ongoing basis following issuance of the Securities]. Such information will include [*describe information: [•]*]

9. INFORMATION RELATING TO THE UNDERLYING REFERENCE *[Not applicable if the Securities are Credit Securities]*

[Information on the past and future performance of the Underlying Reference[s] and [its][their] volatility can be obtained [•] /[[on the public website on www. [ ] [ ] [and on the [Bloomberg] or [Reuters] page as provided for each Component composing the Underlying Reference. [NB ensure such page is given there] [*If no public information exists, insert:* in a physical form at the offices of [*insert address/telephone number]*]

[*If the relevant Underlying Reference is an index or basket of indices, insert:*

The sponsor of the, or each, index composing the Underlying Reference also maintains an Internet Site at [the following address] [•] where further information may be available in respect of the Underlying Reference.

[Name of Index Sponsor Website]

[*Insert relevant disclaimer for each index*:*]*]

10. OPERATIONAL INFORMATION

ISIN:	[ ]
Common Code:	[ ]

	Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s):	[Not applicable/*give name(s) and number(s)*]
	Delivery:	Delivery [against/free of] payment
	Initial Paying Agents:	[ ]
	Names and addresses of additional Paying Agent(s) (if any):	[ ]
11.	**DISTRIBUTION**	
(i)	If syndicated, names and addresses of Managers and underwriting commitments:	[Not applicable/*give names and addresses and underwriting commitments*] *(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers.*)
(ii)	Date of Subscription Agreement:	[Not applicable] [ ]
(iii)	Stabilising Manager(s) (if any):	[Not applicable/*give name*]
(iv)	If non-syndicated, name of Dealer:	[Not applicable/*give name*]
(v)	Non-exempt offer:	[Not applicable] [An offer of the Securities may be made by [the Managers and] [*specify if applicable*] other than pursuant to Article 3(2) of the Prospectus Directive in [*specify relevant member state(s) – which must be jurisdictions where the Prospectus and any supplements have been passported*] ("**Public Offer Jurisdictions**") during the period from [*specify date*] until [*specify date*] ("**Offer Period**"). See further Paragraph 12 (*Terms and Conditions of the Offer*) of Part B below.

12.	**TERMS AND CONDITIONS OF THE OFFER(*)**	[Not applicable]
	Offer Period:	[*Specify*]
	Offer Amount:	[*give details*]
	Offer Price:	[Issue Price][*specify*]
	Conditions to which the offer is subject:	[Not applicable/*give details*]
	Description of the application process:	[Not applicable/*give details*]
	Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	[Not applicable/*give details*]
	Details of the minimum and/or maximum amount of application:	[Not applicable/*give details*]
	Details of the method and time limits for paying up and delivering the Securities:	[Not applicable/*give details*]
	Manner in and date on which results of the offer are to be made public:	[Not applicable/*give details*]
	Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	[Not applicable/*give details*]
	Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	[Not applicable/*give details*]
	Amount of any expenses and taxes specifically charged to the subscriber:	[Not applicable/*give details*]
	Name(s) and address(es), to the extent known to the relevant Issuer, of the placers in the various countries where	[None/*give details*]

* Not relevant for an issue of Securities with an issue price of equal to or greater than Euro 100,000 (or its equivalent in another currency).

	the offer takes place.	
	Consent to use of Base Prospectus	[None/*give details*]
	Other intermediaries in case of public distribution through trading venues (including SeDeX)	[None/*give details*]
13.	**SECONDARY MARKET PRICING**	[Applicable[31]] [Not applicable] (*If not applicable, delete the remaining sub-paragraph of this paragraph*) [In the event that the Issuer decides to purchase the Securities from the Securityholder prior to the Settlement Date, the secondary market pricing provided by the Issuer on the Securities will reflect [ ] (*give details of hedge unwinding costs and/or loss of profit related to such hedging portfolio*)] [A secondary market for the Certificates will be available [through the multilateral trading facility of [EuroTLX][SeDeX][[•], where Mediobanca/[•] will act as Liquidity Provider with a maximum bid/ask spread of [•] per cent. [under normal market conditions]/[*specify other*].]
14.	**SPECIFIC BUY BACK PROVISIONS**	[Applicable] [Not applicable] (*If not applicable, delete the remaining sub-paragraph of this paragraph*) [The value of the Certificates shall reflect and shall be calculated on the basis of the Market Value of the Underlying Transactions. The Market Value of the Underlying Transactions affects the repurchase price (Buy Back Price), if any, of the Certificates, before their maturity.]

[31] Where application is only made for the Securities to be admitted to trading on a multilateral trading facility and no application for the admission to trading on a regulated market in the European Economic Area nor any offer in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive are provided for, this document will not constitute the Final Terms for the purposes of Article 5.4 of the Prospectus Directive but will constitute a pricing supplement.

- Underlying Transactions: Information on the composition (*unbundling*) of the Interest Basis, in particular the Extra-Yield with respect to the yield of Certificates with equal payoff but without Specific Buy Back Provisions, and the composition of the Underlying Transactions, and any relevant changes thereof, shall be published on [the website of Mediobanca www.mediobanca.it] [the website of Mediobanca International www.mediobanca.it] [the website of the Luxembourg Stock Exchange] [the website of Euronext Dublin] [*specify alternative method of publication*]].]

- Specified Currency: [s*pecify*]

15. [EU BENCHMARKS REGULATION

[Benchmarks: Amounts payable under the Securities will be calculated by reference to [●] which is provided by [●]. (*if more than one, specify in relation to each relevant Benchmark*)

As at [●], [●] [appears/does not appear] on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of the Benchmark Regulation (Regulation (EU) 2016/1011) (the "Benchmark Regulation"). [As far as the Issuer is aware [[*insert name of Benchmark*[*s*]/the [relevant] Benchmark] [does/do] not fall within the scope of the Benchmark Regulation by virtue of Article 2 of the Benchmark Regulation.]/[, the transitional provisions in Article 51 of the Benchmark Regulation apply, such that [●] is not currently required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence).]]

PART C – OTHER APPLICABLE TERMS

[*Insert other relevant information and provisions in accordance with Annex XXI of Regulation 2004/809/EC, such as (i) additional provisions, not required by the relevant securities notes, relating to the underlying country(ies) where the offer(s) to the public takes place, (ii) country(ies) where admission to trading on the regulated market(s) is being sought, (iii) country(ies) into which the relevant base prospectus has been notified, (iv) series number, (v) tranche number. Delete if not required*]

PART D – SUMMARY OF THE SPECIFIC ISSUE

[*Insert Summary of the specific issue*]

TAXATION

The following is a general summary of certain Italian, Luxembourg and Irish tax consequences of the purchase, the ownership and the disposal of the Securities. It does not purport to be a comprehensive description of all the tax aspects which may be relevant to a decision to subscribe for, purchase, own or dispose of the Securities and does not purport to deal with the tax consequences applicable to all categories of investors and of Securities, some of which (such as dealers in securities or commodities and certain non-Italian resident Securityholders purchasing Securities convertible or exchangeable into shares) may be subject to special rules.

Prospective investors are advised to consult in any case their own tax advisers concerning the overall tax consequences of their purchase, ownership and disposal of the Securities.

This summary assumes that Mediobanca and Mediobanca International are resident for tax purposes in the Republic of Italy and in Luxembourg respectively and are structured and conduct their business in the manner outlined in this Prospectus. Changes in Mediobanca and/or Mediobanca International's organisational structure, tax residence or the manner in which each of them conducts its business may invalidate this summary. This summary also assumes that each transaction with respect to the Securities is at arm's length.

Where in this summary English terms and expressions are used to refer to Italian, Luxembourg and Irish concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Italian, Luxembourg and Irish concepts under Italian, Luxembourg and Irish tax laws.

This summary is based upon the laws and/or practice in force as at the date of this Prospectus, which are subject to any changes in law and/or practice occurring after such date, which could be made on a retroactive basis.

Neither Mediobanca nor Mediobanca International will update this summary to reflect changes in law and/or practice. If any such change should occur, the information in this summary could become obsolete.

(A) Italian tax regime of the Securities issued by Mediobanca

The Securities may be subject to different tax regimes depending on whether:

(a) they represent derivative financial instruments or bundles of derivative financial instruments, through which the Securityholders purchase indirectly underlying financial instruments; or

(b) they represent a debt instrument implying a "use of capital" (*impiego di capitale*), through which the Securityholders transfer to the Issuer a certain amount of capital, for the economic exploitation of the same, subject to the right to obtain a (partial or entire) reimbursement of such amount at maturity.

Securities representing derivative financial instruments or bundles of derivative financial instruments

Tax on income and capital gains

Payments in respect of Securities qualifying as securitised derivative financial instruments as well as capital gains of the Securities received by Securityholders which are (a) Italian resident companies or similar entities (including Italian permanent establishments of a non-Italian residents to which the Securities are effectively connected), (b) Italian resident partnerships carrying out commercial activities or similar commercial entities (c) Italian resident individuals engaged in entrepreneurial activities to which the Securities are effectively

connected, are included in the relevant holder's taxable income and are therefore subject to the general Italian corporate tax regime (corporate income tax, IRES, is currently applicable at 24 per cent.), or to personal income taxation (as business income), as the case may be, according to the ordinary rules. In certain cases, depending on the *status* of the Securityholder, such proceeds may also have to be included in its taxable base for regional income tax on business activities (IRAP, currently applicable at the basic rate of 3.9 per cent.. IRAP rate may be varied up to 0.92 per cent. by certain Italian regions and depending on the nature of the activities carried out by the taxpayer);

According to article 5 of Legislative Decree No. 461 of 21 November 1997 ("**Decree 461**"), payments in respect to Securities as well as capital gains realised by (a) Italian resident individual not engaged in entrepreneurial activities to which the Securities are effectively connected, (b) an Italian partnership (other than a *società in nome collettivo* or *società in accomandita semplice* or similar partnership) or a *de facto* partnership not carrying out commercial activities or professional associations or (c) an Italian private or public institution not carrying out mainly or exclusively commercial activities, upon the sale for consideration or redemption of the Securities are subject to a substitute tax (*imposta sostitutiva*) currently at rate of 26 per cent.. In respect of the application of the substitute tax, said Securityholders listed above may opt for one of the three regimes described below:

(a) Under the tax declaration regime ("**Tax Declaration Regime**"), which is the standard regime for the taxation of capital gains, the *imposta sostitutiva* on capital gains will be chargeable, on a cumulative basis, on all payments in respect of Securities and all capital gains, net of any incurred capital loss of the same nature, realised pursuant to all sales or redemptions of the Securities carried out during any given tax year. The overall capital gains realised in any tax year, net of any relevant incurred capital loss of the same nature, must be reported in the annual tax return and *imposta sostitutiva* must be paid on such gains together with any balance income tax due for the relevant year. Capital losses in excess of capital gains may be carried forward against capital gains of the same nature realised in any of the four succeeding tax years.

(b) As an alternative to the Tax Declaration Regime, the Securityholders may elect to pay the *imposta sostitutiva* separately on payments received in respect of Securities and capital gains realised on each sale or redemption of the Securities under the so called "*regime del risparmio amministrato*" provided for by Article 6 of Decree 461 (the "**Administrative Savings Regime**"). Such separate taxation of capital gains is allowed subject to (i) the Securities being deposited with Italian banks, "*società di intermediazione mobiliare*" ("**SIMs**") or certain authorised financial intermediaries (or permanent establishments in Italy of foreign intermediaries) and (ii) an express election for the Administrative Savings Regime being timely made in writing by the relevant Securityholder. The depository is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of the Securities, as well as on capital gains realized as at revocation of its mandate, net of any relevant incurred capital loss of the same nature, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Securityholder or using funds provided by the Securityholder for this purpose. Where a sale or redemption of the Securities results in a capital loss, such loss may be offset against with capital gains of the same nature subsequently realised, within the same relationship of deposit, in the

same tax year or in the following tax years up to the fourth. Under the Administrative Savings Regime, the Securityholder is not required to declare the capital gains in the annual tax return.

(c) Where the Securities are part of a portfolio managed under the "**Asset Management Regime**" (pursuant to Article 7 of Decree 461) by an Italian asset management company or an authorized financial intermediary, any payments received as well as capital gains realised upon sale, transfer or redemption of the Securities will not be subject to the substitute tax on capital gains but will contribute the determination of the annual accrued appreciation of the managed portfolio, subject to 26 per cent. annual substitutive tax, to be paid by the managing authorised intermediary. Any depreciation of the managed portfolio at year end may be carried forward against appreciation accrued in each of the following years up to the fourth. The Securityholder is not required to declare the capital gains realised in the relevant annual tax return if under the Asset Management Regime.

Any capital gains on Securities (as well as increase or decrease of their relevant fair market value) held by Italian resident open-ended or closed-ended collective investment funds (**"Funds"**), SICAVs and SICAFs contribute to determine the increase in value of the managed assets of the Funds, SICAVs or SICAFs accrued at the end of each tax year. The Funds, SICAVs or SICAFs will not be subject to taxation on such increase, but a withholding tax of 26% will apply, in certain circumstances, to distributions made in favour of unitholders or shareholders.

Where a Securityholder is an Italian resident real estate investment fund or an Italian real estate SICAF, to which the provisions of Law Decree No. 351 of 25 September, 2001, Law Decree No. 78 of 31 May 2010, converted into Law No. 122 of 30 July 2010, and Legislative Decree No. 44 of 4 March 2014, all as amended, apply, capital gains realised will be subject neither to substitute tax nor to any other income tax in the hands of the real estate investment fund or the real estate SICAF. The income of the real estate investment fund or of the real estate SICAF is subject to tax, in the hands of the unitholder, depending on the status and percentage of participation, or, when earned by the fund, through distribution and/or upon redemption or disposal of the units.

Any capital gains on Securities held by a Securityholders who is an Italian pension fund (subject to the regime provided for by Article 17 of Legislative Decree No. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 20 per cent. *ad hoc* annual substitute tax.

Capital gains realised by non-Italian-resident Securityholders without a permanent establishment in Italy to which the Securities are effectively connected from the sale or redemption of Securities traded on regulated markets in Italy or abroad are not subject to the substitute tax, regardless of whether the Securities are held in Italy. In such a case, in order to benefit from this exemption from Italian taxation on capital gains, non-Italian resident Securityholders who hold the Securities with an Italian authorised financial intermediary and elect to be subject to the Asset Management Regime or are subject to the Administrative Savings Regime, may be required to produce in due time to the Italian authorised financial intermediary an appropriate self-declaration (*autocertificazione*) that they are not resident in Italy for tax purposes.

Capital gains realised by non-Italian resident Securityholders without a permanent establishment in Italy to which the Securities are effectively connected from the sale or redemption of Securities not traded on regulated markets issued by an Italian or non-Italian resident issuer may in certain circumstances be taxable in Italy, if the Securities are held in Italy.

However, where the Securities are not traded on a regulated market in Italy or abroad, pursuant to the provisions of Decree No. 461, non Italian resident beneficial owners of the Securities with no permanent establishment in Italy to which the Securities are effectively connected are exempt from the substitute tax in the Republic of Italy on any capital gains realised upon sale for consideration or redemption of the Securities if they are resident for tax purposes in a state or territory included in the "**White List**" (i.e. Decree of the Minister of Finance dated 4 September, 1996, as amended and supplemented from time to time and to be updated every six months period according to Article 11, par. 4, let. c) of Legislative Decree April 1st, 1996, No. 239. Last amendment made on 23 March 2017). The same exemption applies where the beneficial owners of the Securities are (i) international entities or organisations established in accordance with international agreements ratified by Italy; (ii) certain foreign institutional investors established in countries included in the White List, even of they do not have the status of taxpayers in their own country of residence; or (iii) Central Banks or entities which manage, inter alia, the official reserves of a foreign State. Under these circumstances, if non-Italian residents without a permanent establishment in Italy to which the Securities are effectively connected elect for the Asset Management Regime or are subject to the Administrative Savings Regime, exemption from Italian capital gains tax will apply upon condition that they provide in time with the authorised financial intermediary an appropriate self-declaration (*autocertificazione*) stating that they meet the requirement indicated above. Additional statements may be required for non-Italian resident Securityholders who are institutional investors.

Non-Italian resident individuals or entities without a permanent establishment in Italy to which the Securities are connected that may benefit from a double taxation treaty with the Republic of Italy providing that capital gains realised upon the sale or redemption of Securities are to be taxed only in the country of tax residence of the recipient, will not be subject to the substitute tax in the Republic of Italy on any capital gains realised upon the sale or redemption of Securities. In such a case, in order to benefit from this exemption from Italian taxation on capital gains, non-Italian resident Securityholders who hold the Securities with an Italian authorised financial intermediary and elect to be subject to the Asset Management Regime or are subject to the Administrative Savings Regime, may be required to produce in due time to the Italian authorised financial intermediary appropriate documents which include, *inter alia*, a statement from the competent tax authorities of the country of residence.

Please note that for a non-Italian resident, the Administrative Savings Regime shall automatically apply, unless it is expressly waived this regime, where the Securities are deposited in custody or administration with an Italian resident authorised financial intermediary or permanent establishment in the Republic of Italy of a foreign intermediary.

Securities representing debt instruments implying a "use of capital" not having 100 per cent. capital protection guaranteed by the Issuer

Payments relating to Securities issued by Mediobanca that are not deemed to fall within the category of (a) bonds (*obbligazioni*) or securities similar to bonds (*titoli similari alle obbligazioni*) or of (b) shares or securities similar to shares (*azioni or titoli similari alle azioni*), may qualify as atypical securities (*titoli atipici*) for Italian tax purposes pursuant to Art. 5 of Law Decree No. 512 of 30 September 1983, and are subject to a withholding tax, levied at the rate of 26 per cent.. For this purpose, pursuant to Article 44 of Presidential Decree No. 917 of 22 December 1986, securities similar to bonds are securities that (i) incorporate an unconditional obligation to

pay, at maturity, an amount not lower than their nominal value and (ii) do not grant to the relevant holders any right to directly or indirectly participate to the management of the issuer or of the business in relation to which they are issued or to control the same management.

Where the Securityholder is (i) an Italian resident individual engaged in an entrepreneurial activity to which the Securities are connected, (ii) an Italian resident company or a similar Italian resident commercial entity, (iii) a permanent establishment in Italy of a foreign entity to which the Securities are effectively connected, (iv) an Italian resident commercial partnership or (v) an Italian resident commercial private or public institution, the 26 per cent. withholding tax applies as provisional withholding tax. In all other cases, including when the Securityholder is a non-Italian resident, the withholding tax is a final withholding tax.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity may be exempt from any income taxation, including the withholding tax on interest, premium and other income relating to the Securities (which qualify as "atypical" securities as defined above), if such Securities are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) pursuant to Article 1, paragraph 100 -114 of Law No. 232 of 11 December 2016 and to Article 1, paragraphs 211-215, of the Law No. 145 of 30 December 2018.

Double taxation treaties entered into by Italy may apply allowing for a lower (generally 10 per cent. or, in certain cases, nil) rate of withholding tax in case of payments to non Italian resident Securityholders, subject to proper compliance with relevant subjective and procedural requirements.

(B) Tax regime of the Securities issued by Mediobanca International

The following information is of a general nature only and is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. Prospective investors in the Securities should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy, impost or other charge or withholding tax or a tax of a similar nature refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax encompasses corporate income tax (impôt sur le revenu des collectivités), municipal business tax (impôt commercial communal), employment fund's contribution (contribution au fonds pour l'emploi), as well as personal income tax (impôt sur le revenu) generally. Investors may further be subject to net wealth tax (impôt sur la fortune) as well as other duties, levies or taxes. Corporate income tax, net wealth tax, municipal business tax as well as the solidarity surcharge invariably apply to most corporate taxpayers resident in Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and the employment fund's contribution. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

1. Tax treatment of the Securities in Luxembourg

Luxembourg tax residency of the holders of the Securities

A holder of the Securities will not become resident, or be deemed to be resident, in Luxembourg by reason only of the holding of the Securities, or the execution, performance, delivery and/or enforcement of the Securities (holding of the Securities includes receipt of interest and repayment of the principal).

Withholding tax

All payments of arm's length and non-profit participating interest and principal by the relevant Luxembourg Issuer in the context of the holding, disposal, redemption or repurchase of the Securities can be made free and clear of any withholding or deduction for or on account of any taxes of whatsoever nature imposed, levied, withheld, or assessed by Luxembourg or any political subdivision or taxing authority thereof or therein, in accordance with the applicable Luxembourg law, subject however to the application of the Luxembourg law of 23 December 2005 introducing a final withholding tax on certain interest deriving from savings income, as amended (the "**Relibi Law**").

Under the Relibi Law, payments of interest or similar income under the Securities by a paying agent established in Luxembourg to an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax at the rate of 20% (the "**20% Withholding Tax**"), which is the responsibility of the Luxembourg paying agent to apply.

Luxembourg resident individual holders of Securities acting in the course of their private wealth can opt to self-declare and pay a self-assessed 20% withholding tax on receipt of interest payments made by non-Luxembourg paying agents located in an EU Member State other than Luxembourg, or a State of the European Economic Area (the "**Self-Assessed 20% Withholding Tax**"). If such an option is exercised by an individual holder for a fiscal year, that option is irrevocable for that individual holder for that fiscal year, and makes that individual responsible for applying and paying the 20% withholding tax in respect of interest they receive on Securities. For the above purposes, the "paying agent" under the Relibi Law is the economic operator which pays interest or allocates the payment of the interest to the immediate benefit of the beneficial owner – i.e. the last person in the payment chain before the Luxembourg resident individual.

Income taxation of the holders of the Securities

Taxation of Luxembourg non-residents

A non-resident individual holder of the Securities not having a permanent establishment or a permanent representative in Luxembourg to which the Securities are attributable is not liable to any Luxembourg income tax, whether he/she receives payments of principal, payments of interest (including accrued but unpaid interest), payments received upon the redemption of the Securities, or realize capital gains on the sale or disposal, in any form whatsoever of any Securities (except in case of profit-participating Securities where the holder has a Substantial Participation (as defined below), unless there is an exemption under a double tax treaty).

A non-resident corporate holder of the Securities or an individual holders of the Securities acting in the course of the management of a professional or business undertaking, that has a permanent establishment or permanent representative in Luxembourg to which or to whom such Securities are attributable, is subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, under the Securities and on any gains realised upon the sale or disposal, in any form whatsoever, of the Securities.

Taxation of Luxembourg residents

Holders of Securities who are residents of Luxembourg will not be liable to any Luxembourg income tax on repayment of principal.

(a) Individual holders of Securities

Individual holders of Securities who are residents in Luxembourg, receiving interest in the course of the management of his or her private wealth, are subject to Luxembourg income tax at progressive rates in respect of interest received, redemption premiums or issue discounts, under the Securities, except if (i) 20 % Withholding Tax has been levied on such payments in accordance with the Relibi Law, or (ii) the individual holder of the Securities has opted for the application of a Self-Assessed 20 % Withholding Tax in full discharge of income tax in accordance with the Relibi Law.

If either of the above withholding taxes applies to interest on Securities received by such individuals, the withholding tax is a final tax which fully discharges any Luxembourg income tax liability of that individual in relation to that interest.

Such individuals are not subject to taxation on capital gains upon the disposal of the Securities, unless the disposal of the Securities (whether by sale, redemption or exchange) precedes the acquisition of the Securities or the Securities are disposed of within six months of the date of acquisition of these Securities. Upon the sale, redemption or exchange of the Securities, individual Luxembourg resident holders of the Securities must however include the portion of the redemption price corresponding to accrued but unpaid interest in their taxable income except if the individual holders of the Securities have opted for the Self-Assessed 20 % Withholding Tax in full discharge of income tax in accordance with the Relibi Law.

An individual holder of Securities acting in the course of management of a professional or business undertaking must include this interest in its taxable basis. If applicable, the 20 % witholding tax levied in accordance with the Relibi Law would in that case not be treated as final withholding tax but can be credited against his/her final personal income tax liability.

(b) Corporate holders of Securities

A corporate holder of Securities must include any interest accrued or received, any redemption premium or issue discount, as well as any gain realised on the sale or disposal (i.e. the difference between the disposal price (including accrued but unpaid interest) and the fiscal value of the Securities disposed of) in any form whatsoever, of the Securities, in its taxable income for Luxembourg income tax assessment purposes.

(c) Corporate holders benefiting from a special tax regime

Luxembourg resident companies holders of the Securities which are companies benefiting from a special tax regime, such as (i) family wealth management companies subject to the Luxembourg law of 11 May 2007 on family estate management companies, as amended; (ii) undertakings for collective investment subject to the Luxembourg law of 17 December 2010 on undertakings for collective investment, as amended; (iii) specialised investment funds subject to the Luxembourg law of 13 February 2007 on specialised investment funds, as amended; or (iv) companies regulated by the Luxembourg law of 23 July 2016 on reserved alternative investment funds, not investing in risk capital, are exempt from income tax in Luxembourg and thus, income derived from the Securities, as well as gains realised on the sale or disposal, in any form whatsoever, exempt from such tax (the "**Luxembourg Special Tax Regime Treatment**").

Net wealth tax

Luxembourg net wealth tax will not be levied on a corporate holder of Securities unless: (i) such holder is, or is deemed to be, resident in Luxembourg for the purpose of the relevant provisions; or (ii) such Security is attributable to an enterprise or part thereof which is carried on through a permanent establishment or a permanent representative in Luxembourg. In respect of individuals, the Luxembourg law of 23 December 2005 abrogating the net wealth tax for individuals and adopting other measures, as amended, has abolished the net wealth tax with effect from 1 January 2006.

A resident corporate holder of Securities or non-resident corporate holder of Securities that maintains a permanent establishment, permanent representative or a fixed place of business in Luxembourg to which such Securities are attributable, is subject to Luxembourg net wealth tax on such Securities, except if such holder is governed by (i) the Luxembourg law of 11 May 2007 on family estate management companies, as amended; (ii) the Luxembourg law of 17 December 2010 on undertakings for collective investment, as amended; (iii) the Luxembourg law of 13 February 2007 on specialised investment funds, as amended; (iv) the Luxembourg law of 22 March 2004 on securitisation, as amended; (v) the Luxembourg law of 15 June 2004 on venture capital vehicles, as amended; or (vi) it is a company that is subject to the Luxembourg law of 23 July 2016 on reserved alternative investment funds.

However, further to the Luxembourg law of 18 December 2015 on net wealth tax aspects, as amended certain companies such as (i) securitisation companies governed by the Luxembourg law of 22 March 2004 on securitisation, as amended; (ii) risk capital companies governed by the Luxembourg law of 15 June 2004 relating to the investment company in risk capital, as amended; (iii) professional pension institutions in the form of variable capital companies (*sociétés d'épargne-pension à capital variable* - SEPCAVs) or associations (*associations d'épargne-pension* - ASSEPs) governed by Luxembourg the law of 13 July 2005 on institutions for occupational retirement provision in the form of pension savings companies with variable capital and pension savings associations, as amended; and (iv) reserved alternative investment funds under the form of corporations which invest in risk capital, subject to the Luxembourg law of 23 July 2016 on reserved alternative investment funds, should fall within the scope of the minimum net wealth tax, which may vary depending on the total amount and type of assets held. Such minimum net wealth tax may either amount to EUR 4,815 or range between EUR 535 and EUR 32,100 (the "**Luxembourg Minimum Net Wealth Tax**").

Other taxes

1. Registration duties

It is not compulsory that the Securities or subject to any other formality in Luxembourg with any notary, court or other authority in Luxembourg, in order to ensure the legality, validity, enforceability or admissibility as evidence of any of the Securities in Luxembourg, or that any registration tax, transfer tax, capital tax, stamp duty or any other similar tax or duty be paid in respect of or in connection with the execution, delivery and/or enforcement by legal proceedings (including any foreign judgment in the courts of Luxembourg) of the Securities.

However, in the event the Securities are registered (or lodged with a notary's records), either voluntarily or by order of a Luxembourg court or official authority, or if they are attached (*annexés*) to any document subject to mandatory registration in Luxembourg (such as a public deed), a fixed or an ad valorem registration duty of 0.24 per cent calculated on any amounts of loans or other obligations of sums of money mentioned in the Securities will be due. In practice, such kind of registration is rarely ordered by Luxembourg courts and official authorities, but if registration is so required, it may be required that the Securities (and any documents in connection therewith) be translated into French or German.

2.VAT

There should not be any Luxembourg value added tax payable in respect of payments in consideration for the issuance of the Securities or in respect of the payment of interest or principal under the Securities or the transfer of Securities, provided that Luxembourg value added tax may, however, be payable in respect of fees charged for certain services rendered to the relevant Issuer, if for Luxembourg value added tax purposes such services are rendered, or are deemed to be rendered, in Luxembourg and an exemption from Luxembourg value added tax does not apply with respect to such services.

3. Inheritance and gift tax

No Luxembourg inheritance tax is levied on the transfer of Securities upon the death of a Securities holder in cases where the deceased was not a resident of Luxembourg at the time of his death for inheritance tax purposes.

Luxembourg gift tax will be levied in the event that the gift is made pursuant to a notarial deed signed before a Luxembourg notary or is otherwise registered in Luxembourg.

Physical settlement – holding of relevant shares

In case of physical settlement of the Securities, the Security holder will receive assets as described in the Final Terms. The holding of shares issued by the relevant Issuer would lead to the following tax treatment.

Withholding tax

Dividends paid by the relevant Luxembourg company to the holders of the relevant shares are as a rule subject to a 15% withholding tax in Luxembourg. However, subject to the provisions of an applicable double tax treaty, the rate of withholding tax may be reduced. Furthermore, a domestic withholding tax exemption may apply if, at the time the dividend is made available, (i) the receiving entity is an eligible company which (ii) has held or commits itself to hold for an uninterrupted period of at least 12 months a participation of at least 10% of the share capital of the relevant Issuer or a participation of an acquisition price of at least EUR 1.2 million. Eligible entities include either a company covered by Article 2 of the EU Council on the common system of taxation applicable in the case of parent companies and subsidiaries of different Member States (2011/96/EU) of 30 November 2011, as amended (the "**PSD**"), or a Luxembourg permanent establishment thereof, or a company resident in a State having concluded a double tax treaty with Luxembourg and subject to a tax corresponding to Luxembourg corporate income tax or a Luxembourg permanent establishment thereof, or a company limited by shares (*société de capitaux*) or a cooperative (*société coopérative*) resident in a State of the European Economic Area other than an EU Member State and liable to a tax corresponding to Luxembourg corporate income tax or a Luxembourg permanent establishment thereof, or a Swiss company limited by share capital which is effectively subject to corporate income tax in Switzerland without benefiting from an exemption.

Further to the Luxembourg law of 18 December 2015 introducing changes to the Luxembourg corporate income tax and net wealth tax, a general anti-abuse rule (the "**GAAR**") was introduced under which access to the participation exemption on dividends is limited when there is an arrangement or a series of arrangements which, having been put into place for the main purpose or one of the main purposes of obtaining a tax advantage that defeats the object or purpose of the PSD, and are not genuine having regard to all relevant facts and circumstances. An arrangement may comprise more than one step or part and shall be regarded as not genuine to the extent that they are not put into place for 'valid commercial reasons' which reflect economic reality.

The Luxembourg tax administration have not defined the meaning of 'valid economic reasons', but in practice is generally identified with substance.

Should such GAAR apply in case of such dividend distributions the above described withholding tax exemption should not be available.

Income Tax

(a) Luxembourg resident individual holder of the relevant shares

Dividends derived from the relevant shares by resident individual holders, who act in the course of the management of either their private wealth or their professional or business activity, are subject to income tax at the progressive ordinary rate. Such dividend may benefit from the 50% exemption set forth in Article 115.15a. of the Luxembourg income tax law of 4 December 1967, as amended (the "**LITL**"), subject to the fulfillment of the conditions set out therein. A (partial) tax credit may be further granted for withholding taxes, if any.

Capital gains realized on the disposal of the relevant shares by such resident individual holders, should not be subject to income tax, unless said capital gains qualify either as speculative gains or as gains on a Substantial Participation (as defined below). Capital gains on such shares are deemed to be speculative gains and are subject to income tax at ordinary income tax rates if such shares are disposed of within 6 months after their acquisition or if their disposal precedes their acquisition. A participation is deemed to be substantial where a resident individual holder of such shares has either alone or together with his spouse and/or underage children, held directly or indirectly at any time within the 5 years preceding the disposal, more than 10% of the share capital of the relevant company. A holder of such shares is also deemed to alienate a substantial participation if he acquired free of charge, within the 5 years preceding the transfer, a participation that was constituting a substantial participation in the hands of the transferor (or any of the successive transferor in case of successive transfers free of charge within the same 5-year period) (the "**Substantial Participation**"). Capital gains realized on a Substantial Participation more than 6 months after the acquisition thereof are subject to income tax according to the half-global rate method. A disposal may include a sale, an exchange, a contribution or any other kind of alienation of the relevant shares.

(b) Luxembourg resident corporate holders of the relevant shares

Dividends and other payments derived from the relevant shares and paid to a Luxembourg fully taxable resident company are subject to income tax, unless the conditions of the participation exemption regime, as described below, are satisfied. If these conditions are not met, under current Luxembourg tax laws, 50% of the gross amount of dividends received on the relevant shares may be exempt from income tax pursuant to Article 115 15a. of the LITL. A (partial) tax credit may be further granted for withholding taxes, if any.

Under the participation exemption regime, dividends derived from the relevant shares may be exempt from income tax at the level of the holder of such shares, except for the amount of the expenses which directly relate to this shareholding and which have reduced the Luxembourg fully taxable resident company's taxable basis in the year of receipt of the dividend and the depreciation over such shareholding consecutive to the dividend distribution (under conditions), if cumulatively, (i) the holder of such shares is a Luxembourg resident fully taxable company, or a Luxembourg permanent establishment of a company covered by Article 2 of the PSD, or a Luxembourg permanent establishment of a company limited by share capital resident in a country having a tax treaty with Luxembourg, or a Luxembourg permanent establishment of a limited company or a cooperative company resident in the European Economic Area other than a EU member state, (ii) the beneficiary has held or commits itself to hold such shares for an uninterrupted period of at least 12 months at the time of the distribution, (iii) during this whole period, such shares represent a participation of at least 10% in the share capital of the relevanty company or a participation of an acquisition price of at least EUR 1.2 million.

In case the GAAR applies, such dividend distributions may not be exempt.

Additionally, based on the GAAR's "mirror rule" and on the anti-hybrid rule, where dividends received by a Luxembourg company give place to a deductible charge at the level of an EU subsidiary, said dividends should neither be tax exempt in Luxembourg.

Capital gains realized by a Luxembourg fully taxable resident company on the relevant shares are subject to income tax at ordinary rates. However, under the participation exemption regime, capital gains realized on such shares may be exempt from income tax, except for the amount of expenses which directly relate to this shareholding and which have reduced the Luxembourg fully taxable resident company's taxable basis in the year of disposal and prior years, if the above mentioned conditions are met except that the acquisition price threshold is EUR 6 million for capital gains purposes. Taxable gains are determined as being the difference between the price for which such shares have been disposed of and the fiscal value.

For net wealth tax purposes, the relevant shares should be fully exempt in the hands of a Luxembourg fully taxable resident company under the same conditions (with exception to the minimum holding period that does not apply). Such companies should be still subject at least to Luxembourg Minimum Net Wealth Tax.

(c) Luxembourg resident companies benefiting from a special tax regime

Certain corporate holders of the relevant shares may be subject to the Luxembourg Special Tax Regime Treatment.

(d) Luxembourg non-resident holders of the relevant shares

Non-resident holders of the relevant shares who have neither a permanent establishment nor a permanent representative in Luxembourg to which such shares are attributable are generally not liable to any Luxembourg income tax, whether they receive payments of dividends or realize capital gains upon sale of such shares, except for capital gains realized on a Substantial Participation (see above under section a) before the acquisition or within the first 6 months of the acquisition thereof that are subject to income tax in Luxembourg at ordinary rates (subject to applicable double tax treaties).

(e) Permanent establishment of Luxembourg non-resident holders of the relevant shares

Dividends received by a Luxembourg permanent establishment or a permanent representative of a non-resident holders of the relevant shares to which such shares are attributable, as well as capital gains realized on such shares, are subject to Luxembourg income tax, unless the conditions of the participation exemption regime are satisfied (see above under section b). Dividends deriving from shares that do not qualify for the 100% exemption and received by a Luxembourg permanent establishment or permanent representative may benefit from the 50% exemption of the gross amount as described above according to Article 115.15a. of the LITL. A (partial) tax credit may be further granted for withholding tax, if any.

2. Tax treatment of the Securities in Italy for Italian resident investors

Any gain obtained from the sale or the exercise of the Securities would be subject to the same tax regime as described under (A) "Italian tax regime of the Securities issued by Mediobanca", above.

Where an Italian resident Securityholder is an individual who was not tax resident of Italy for at least 9 of the past 10 years, transferred the tax residence to Italy and opted for the application of a the EUR 100,000 substitute tax on his/her annual foreign-sourced income pursuant to Article 24-*bis* of Presidential Decree No. 917 of 22 December 1986, as introduced by the Law No. 232 of 11 December 2016, the payment of such substitute tax will

be substitutitve of any income tax due on the foreign-sourced income, including capital gains on the sale or redemption of Securities held out of the Italian territory.

In case Securities representing debt instruments implying a "use of capital" do not guarantee the total reimbursement of the principal, under Italian tax law they should qualify as "atypical securities" pursuant to Law Decree No. 512 of 30 September 1983, payments in respect of such Securities received by Italian resident individual Securityholders would be subject to the following regime:

(a) if the Securities are placed (*collocati*) in Italy, payments made to individual investors holding the Securities not in connection with an entrepreneurial activity will be subject to a 26 per cent. final withholding tax. This withholding tax is levied by the entrusted Italian resident bank or financial intermediary, if any, that is involved in the collection of payments on the Securities, in the repurchase or in the transfer of the Securities;

(b) if the Securities are not placed (*collocati*) in Italy or in any case where payments on the Securities are not received through an entrusted Italian resident bank or financial intermediary (that is involved in the collection of payments on the Securities, in the repurchase or in the transfer thereof) and no withholding tax is levied, the individual beneficial owners will be required to declare the payments in their income tax return and subject them to a final substitute tax at a rate of 26 per cent. The Italian individual Securityholder may elect instead to pay ordinary IRPEF at the progressive rates applicable to them in respect of the payments; if so, the Italian individual Securityholder should generally benefit from a tax credit for withholding taxes applied outside Italy, if any.

The 26 per cent. withholding tax does not apply to payments made to an Italian resident Securityholder which is (i) an Italian resident commercial partnership, (ii) an Italian resident company or a similar Italian resident commercial entity (including the Italian permanent establishment of foreign entities to which the Program Securities are effectively connected) and (iii) a commercial private or public institution. In particular, in such cases, payments must be included in the relevant Securityholder's annual income tax return to be therefore subject to ordinary Italian business income taxation (and, in certain circumstances, depending on the status of the Securityholder, also to IRAP) and the beneficial owners should be generally entitled to a tax credit for any withholding tax applied outside Italy.

(C) Irish Taxation of the Securities issued by Mediobanca and Mediobanca International

The following is a summary of the Irish withholding tax treatment of the Securities. The summary does not purport to be a comprehensive description of all of the Irish tax considerations that may be relevant to a decision to purchase, own or dispose of the Securities.

The summary is based upon the laws of Ireland and the published practices of the Revenue Commissioners of Ireland as in effect on the date of this Base Prospectus. Prospective investors in the Securities should consult their own advisers as to the Irish or other tax consequences of the purchase, beneficial ownership and disposition of the Securities including, in particular, the effect of any state or local law taxes, if applicable.

Irish Withholding Tax

Irish withholding tax applies to certain payments including payments of:

- Irish source yearly interest (yearly interest is interest that is capable of arising for a period in excess of one year);
- Irish source annual payments (annual payments are payments that are capable of being made for a period in excess of one year and are pure income-profit in the hands of the recipient); and
- Distributions (including interest that is treated as a distribution under Irish law) made by companies that are resident in Ireland for the purposes of Irish tax;

at the standard rate of income tax (currently 20 per cent).

On the basis that the relevant Issuer is not resident in Ireland for the purposes of Irish tax, nor does the relevant Issuer operate in Ireland through a branch or agency with which the issue of the Securities is connected, nor are the Securities held in Ireland through a depository or otherwise located in Ireland, then to the extent that payments of interest or annual payments arise on the Securities, such payments should not be regarded as payments having an Irish source for the purposes of Irish taxation.

Accordingly, the relevant Issuer or any paying agent acting on behalf of the relevant Issuer (save as described at Irish Encashment Tax below) should not be obliged to deduct any amount on account of these Irish withholding taxes from payments made in connection with the Securities.

Separately, for as long as the Securities are quoted on a stock exchange, an investor should not be obliged to deduct any amount on account of Irish tax from a payment made by it in connection with the purchase of the Securities.

Irish Encashment Tax

Payments on any Securities paid by a paying agent in Ireland or collected or realised by an agent in Ireland acting on behalf of the beneficial owner of Securities will be subject to Irish encashment tax at the standard rate of Irish tax (currently 20 per cent), unless it is proved, on a claim made in the required manner to the Revenue Commissioners of Ireland, that the beneficial owner of the Securities entitled to the interest or distribution is not resident in Ireland for the purposes of Irish tax and such interest or distribution is not deemed, under the provisions of Irish tax legislation, to be income of another person that is resident in Ireland.

4. Payments made by the Guarantor under the Guarantee

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 issuer and thus be subject to the tax regime described in the previous paragraph (A) in case of an Italian issuer. 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 title and thus the relevant tax treatment of the payments shall be examined based on such new legal title and on the nature and residence of the recipient.

(D) General Provisions applicable in Italy to both Mediobanca and Mediobanca International Issues

Tax monitoring

Pursuant to Italian Law Decree No. 167 of 28 June 1990, converted by Law No. 227 of 4 August 1990, as amended from time to time, Italian resident individuals, non-commercial entities, non-commercial partnerships and similar entities, who are the beneficial owners of investments abroad or of foreign financial assets (including Securities held abroad and/or Securities issued by a non-Italian resident issuer), must, in certain circumstances, report the aforesaid 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 prescribed for the income tax return).

The above reporting requirement does not apply with respect to (i) foreign investments (including the Securities) deposited for management with Italian financial intermediaries or relevant contracts entered into through their intervention, upon condition that any related income has been subject to tax by such financial intermediaries, or (ii) if the foreign investments are exclusively composed of deposits and/or bank accounts and their aggregate value does not exceed Eur 15,000 throughout the year.

Inheritance and gift taxes

Transfers of any valuable asset (including the Securities) as a result of death or donation (or other transfer for no consideration) of Italian residents and of non-Italian residents, but in such latter case limited to assets held within the Italian territory (which, for presumption of law, includes Securities issued by Italian resident issuers), are generally taxed in Italy as follows:

(i) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or the gift exceeding €1,000,000.00 for each beneficiary;

(ii) 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 at a rate of 6 per cent. on the entire value of the inheritance or the gift;

(iii) 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 €100,000.00 for each beneficiary; and

(iv) any other transfer is 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.

If the beneficiary has a serious disability recognised by law, inheritance and gift taxes apply on its portion of the net asset value exceeding € 1,500,000.00.

Transfer tax

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 € 200; (ii) private deeds are subject to registration tax only in case of use or voluntary registration.

Stamp duty

Pursuant to Article 13 par. 2*ter* of the tariff Part I attached to Presidential Decree No. 642 of 26 October 1972, a proportional stamp duty applies on an annual basis to any periodic reporting communications which may be sent by a financial intermediary to its clients in respect of any financial product and instrument, including the Securities, which may be deposited with such financial intermediary in Italy. The stamp duty applies at a rate of 0.2 per cent. and it cannot exceed €14,000 for taxpayers which are not individuals. This stamp duty is determined on the basis of the market value or, if no market value figure is available, on the basis of face value or redemption value, or in the case the face or redemption values cannot be determined, on the basis of purchase value of the financial assets (including banking bonds, obbligazioni and capital adequacy financial instruments) held.

The statement is deemed to be sent at least once a year, including with respect to the instruments for which is not mandatory nor the deposit nor the release nor the drafting of the statement. In case of reporting periods of less than 12 months, the stamp duty is payable based on the period accounted.

Pursuant to the law and the implementing decree issued by the Italian Ministry of Economy on 24th May, 2012, the stamp duty applies to any investor who is a client (as defined in the regulations issued by the Bank of Italy on 20 June, 2012) of an entity that exercises a banking, financial or insurance activity in any form within the Italian territory.

Wealth Tax on securities deposited abroad

Pursuant to Article 19(18) of Decree 201 of 6 December 2011, Italian resident individuals holding financial instruments, including the Securities, outside the Italian territory are required to declare them in their own annual tax return and pay a wealth tax at the current rate of 0.20 per cent..

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). The financial assets held abroad are excluded from the scope of the wealth tax, if such financial assets are administered by Italian financial intermediaries pursuant to an administration agreement.

Italian Financial Transaction Tax

Where the Issuer decides to redeem the Securities at their maturity by delivering shares to the investor, an Italian Financial Transaction Tax ("**FTT**") may apply. In particular, Article 1(491) of Law No. 228 of 24 December 2012 (the "**Stability Law for 2013**") introduced a stamp duty-like FTT of 0.2 per cent. on the transfer of shares and other equity-like instruments issued by Italian resident entities (for this purpose, residence must be determined on the basis of the location of the entity's registered office). This also encompasses any financial instruments that have such shares or equity-like instruments as their underlying assets, irrespective of the issuer's residence. The FTT applies even if the transfer takes place outside Italy and/or any of the parties to the transaction are not resident in Italy.

The FTT rate is reduced by half to 0.1 per cent. if the transfer takes place on a regulated market or multilateral trading system. The FTT is determined with reference to the net daily balance of purchase and sale transactions performed by the same person in the same financial instrument. In particular, the taxable base is determined by multiplying: (i) the number of securities corresponding to the sum of the net daily balance of purchase and sale transactions for each financial instrument for which there are net purchases (as opposed to net sales); and (ii) the weighted average price of the purchases of such financial instruments carried out on the relevant day.

Article 1(492) of the Stability Law for 2013 introduces a fixed levy FTT that applies to all transactions involving equity derivatives which have Italian shares, Italian equity-like instruments or Italian equity-related instruments as their underlying assets. An equity derivative is subject to the FTT if the underlying or reference value consists of more than 50 per cent., of the market value of Italian shares, Italian equity-like instruments or Italian equity-related instruments, as measured on either: (i) the date of issuance, for financial instruments traded on regulated markets or on multilateral trading systems; or (ii) the date when the relevant contract is entered into in all other cases. The FTT applies even if the transfer takes place outside Italy and/or any of the parties to the transaction are not resident in Italy.

The amount of tax due depends on the type of derivative instrument and on the contract's value, but is subject to a maximum of Euro 200. This FTT is reduced to 1/5 of the relevant amount if the transfer takes place on a regulated market or multilateral trading system. If a derivative is equity-settled, the consequent share transaction is ordinarily subject to the FTT under Article 1(491) of the Stability Law for 2013.

The FTT under Article 1(491) of the Stability Law for 2013 is due by and borne by the (ultimate) transferee of the shares or equity-like instruments. The FTT under Article 1(492) of the Stability Law for 2013 is due by each party involved in the relevant transaction. The FTT must be paid and accounted for to the Italian tax authorities by any intermediary intervening in any way in the execution of such transactions, e.g. banks, fiduciary companies or investment firms licensed to provide investment services on a professional basis to the public in accordance with Article 18 of Italian Legislative Decree No. 58 of 24 February 1998, including non-Italian resident intermediaries. However, the Stability Law for 2013 provides that such an intermediary is permitted to refrain from executing the relevant transaction until they have received the amount of FTT due on the transaction from the relevant person referred to above. Non-Italian resident intermediaries may appoint an Italian withholding agent as a tax representative in order to take care of the compliance regarding the FTT. In the event that several financial intermediaries are involved, the obligation to make the payment of the FTT to the Italian

tax authorities falls on the party that directly receives the transaction order from the parties. If no intermediary is involved in a transaction, the relevant parties referred to above must pay the FTT due directly to the Italian tax authorities.

A 0.02 per cent FTT has also been introduced on high frequency trading carried out on the Italian financial market.

Some exemptions may apply.

(F) Proposed European Financial Transactions Tax (FTT)

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the participating Member States). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced in its current form, apply to certain dealings in the Securities (including secondary market transactions) in certain circumstances.

Under current Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Securities where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

The FTT proposal remains subject to negotiation between the participating Member States. It may therefore be amended prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the Securities are advised to seek their own professional advice in relation to the FTT.

(D) The Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting or related requirements. The Issuers are foreign financial institutions for these purposes.

A number of jurisdictions (including Italy and Luxembourg) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Securities, including whether withholding would ever be required pursuant to FATCA or

an IGA with respect to payments on instruments such as the Securities, are uncertain and may be subject to change.

Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Securities, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Securities characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date. However, if additional Securities (as described under "Terms and Conditions – Further Issues") that are not distinguishable from previously issued Securities are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all such Securities, including those Securities offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA.

Securityholders should consult their own tax advisors regarding how these rules may apply to their investment in the Securities.

GENERAL INFORMATION

(1) Listing and Admission to Trading

The Central Bank of Ireland has approved this Base Prospectus as a base prospectus. Application has also been made to the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") for Securities issued under the Programme to be listed on the Official List and admitted to trading on the regulated market of the Euronext Dublin Euronext Dublin's regulated market is a regulated market for the purposes of the Directive 2014/65/EU as amended.

However, Securities may be issued pursuant to the Programme which will not be listed or admitted to trading on Euronext Dublin or any other stock exchange or trading venue or which will be listed or admitted to trading on such stock exchange or market or multilateral trading facility as the Issuers and the relevant Dealer(s) may agree.

The Central Bank of Ireland may, at the request of the relevant Issuer, send to the competent authority of another European Economic Area member state: (i) a copy of this Base Prospectus; (ii) an Attestation Certificate; and (iii) if so required by such competent authority, a translation of the section of this Base Prospectus headed "*Summary of the Programme*".

(2) Each Issuer and the Guarantor has obtained all necessary consents, approvals and authorisations in Ireland and the Republic of Italy in connection with the establishment and update of the Programme and the issue and performance of the Securities and the guarantee relating to them. The update of the Programme, including the giving of the Guarantee, was authorised by a resolution adopted by the Executive Committee of Mediobanca passed on 20 September 2018 and the decision (*determina*) assumed by the General Manager (*Direttore Generale*) of Mediobanca on 19 December 2018, and a circular resolution of the Board of Directors of Mediobanca International passed on 5 December 2018.

(3) The price and amount of Securities to be issued under the Programme will be determined by the relevant Issuer and the relevant Dealer at the time of issue in accordance with prevailing market conditions.

(4) Save as disclosed in this Base Prospectus at page 912 (*Judicial proceedings and inspection in course*), Mediobanca International (where Mediobanca International is the relevant Issuer) is not and none of Mediobanca and its consolidated subsidiaries (where Mediobanca is the relevant Issuer or the Guarantor) is or has been involved in any governmental, legal, arbitration or administrative proceedings in the 12 months preceding the date of this document relating to claims or amounts which may have, or have had in the recent past, a significant effect on the Mediobanca Group's financial position or profitability and, so far as Mediobanca or, as the case may be, Mediobanca International is aware, no such litigation, arbitration or administrative proceedings are pending or threatened.

(5) Neither Mediobanca nor Mediobanca International nor any of Mediobanca's subsidiaries has entered into any contracts in the last two years outside the ordinary course of business that have been or may reasonably be expected to be material to such Issuer's ability to meet its obligations to Securityholders.

(6) In the case of Mediobanca since 30 June 2018 (being the last day of the financial period in respect of

which the most recent audited annual financial statements of Mediobanca have been prepared) there has been no material adverse change in the prospects of Mediobanca or its subsidiaries.

(7) In the case of Mediobanca International since 30 June 2018 (being the last day of the financial period in respect of which the most recent and available audited financial statements of Mediobanca International have been prepared) there has been no material adverse change in the prospects of Mediobanca International.

(8) There have been no significant changes to the financial or trading position of Mediobanca or the other companies forming part of the Group since the most recent financial information available was disclosed in the financial statements as at 31 December 2018.

(9) There have been no significant changes to the financial or trading position of Mediobanca International since the most recent financial information available was disclosed in the non-consolidated financial statements as at 31 December 2018.

(10) For so long as the Programme remains in effect or any Securities remain outstanding, the following documents will be available in electronic form (unless the investor requests physical copies), and in the case of paragraphs (vii), (viii), (ix), (x), (xi) and (xii) below, may be obtained free of charge during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the office of the Fiscal Agent and the Paying Agent:

(i) the Issue and Paying Agency Agreement;

(ii) the Deeds of Covenant;

(iii) the Deed of Guarantee;

(iv) the Programme Manual (being a manual signed for the purposes of identification by the Issuers and the Fiscal Agent, containing suggested forms and operating procedures for the Programme, including the forms of the Securities in global and definitive form);

(v) the By-laws (Statuto) of Mediobanca and articles of incorporation of Mediobanca International;

(vi) the Mediobanca Registration Document;

(vii) the published annual financial statements of Mediobanca International as at and for the years ended 30 June 2018 and 2017;

(viii) the consolidated annual financial statements of Mediobanca as at and for the years ended 30 June 2018 and 2017;

(ix) the unaudited consolidated interim financial report for the six months ended 31 December 2018 of Mediobanca;

(x) the unaudited non-consolidated interim financial report for the six months ended 31 December 2018 of Mediobanca International;

(xi) Final Terms for Securities which are listed on Euronext Dublin or any other stock exchange or market;

(xii) a copy of this Base Prospectus together with any Supplement to this Base Prospectus or further Base Prospectus.

(11) Physical copies of the latest annual consolidated financial statements of Mediobanca and annual financial statements of Mediobanca International may be obtained upon request at the specified office of the Paying Agent during normal business hours, so long as any of the Securities is outstanding.

(12) The Issuers do not intend to provide any post-issuance information in relation to any assets underlying issues of Securities constituting derivative securities, except if required by any applicable laws and regulations.

(13) The Securities have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The appropriate Common Code and ISIN for each Tranche of Securities allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms. If the Securities are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

(14) The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of Monte Titoli S.p.A. is Piazza degli Affari 6, 20123 Milan, Italy.

(15) 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 for, Mediobanca and their affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of Mediobanca or Mediobanca's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with Mediobanca routinely hedge their credit exposure to Mediobanca consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Securities issued under the Programme. Any such short positions could adversely affect future trading prices of Securities issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. For the purpose of this paragraph the term "affiliates" includes also parent companies.

(16) With respect to Article 3 (2) of the Prospectus Directive the Issuers consent, to the extent and under the conditions, if any, indicated in the Final Terms, to the use of the Base Prospectus as long as the Base Prospectus is valid in accordance with Article 9 of the Prospectus Directive and accepts responsibility for the content of the Base Prospectus also with respect to subsequent resale or final placement of the Securities by any Dealer and/or financial intermediary which was given consent to use the prospectus.

Such consent may be given to all (general consent) or only one or more (individual consent) specified Dealers and/or financial intermediaries and/or for a limited or indefinite period, as stated in the Final Terms, and for Italy, Ireland and/or Luxembourg (as indicated in the relevant Final Terms) as member states in which the Base Prospectus has been passported and which will be indicated in the relevant Final Terms.

Such consent by the Issuers is subject to each Dealer and/or financial intermediary complying with the terms and conditions described in this Base Prospectus and the relevant Final Terms as well as any applicable selling restrictions. The distribution of this Base Prospectus, any supplement to this Base Prospectus, if any, and the relevant Final Terms as well as the offering, sale and delivery of the Securities in certain jurisdictions may be restricted by law.

Each Dealer and/or each financial intermediary, if any, and/or each person into whose possession this Base Prospectus, any supplement to this Base Prospectus, if any, and the relevant Final Terms come are required to inform themselves about and observe any such restrictions. The Issuers reserve the right to withdraw its consent to the use of this Base Prospectus in relation to certain Dealers and/or each financial intermediary.

In case of an offer being made by a Dealer or a financial intermediary, such Dealer or financial intermediary will provide information to investors on the terms and conditions of the offer at the time the offer is made.

If the Final Terms state that the consent to use the Base Prospectus is given to all Dealers or financial intermediaries (general consent), any Dealer or financial intermediary using the Base Prospectus is required to state on its website that it uses the Base Prospectus in accordance with the consent and the conditions attached thereto.

If the Final Terms state that the consent to use the prospectus is given to one or more specified Dealers or financial intermediaries (individual consent), any new information with respect to Dealers or financial intermediaries unknown at the time of the approval of the Base Prospectus or the filing of the Final Terms will be published on the website www.mediobanca.it.

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