



**BNP PARIBAS**

**BNP Paribas Issuance B.V.**

*(formerly BNP Paribas Arbitrage Issuance B.V.)*

*(incorporated in The Netherlands)*

*(as Issuer)*

**BNP Paribas**

*(incorporated in France)*

*(as Issuer and Guarantor)*

**Base Prospectus for the issue of Warrants**

This document (the "**Base Prospectus**") constitutes a base prospectus in respect of Warrants issued under the Note, Warrant and Certificate Programme of BNP Paribas Issuance B.V. (formerly BNP Paribas Arbitrage Issuance B.V.) ("**BNPP B.V.**"), BNP Paribas ("**BNPP**") and BNP Paribas Fortis Funding ("**BP2F**") (the "**Programme**"). Any Securities (as defined below) issued on or after the date of this Base Prospectus are issued subject to the provisions herein. This does not affect any Securities issued before the date of this Base Prospectus. This Base Prospectus constitutes a base prospectus for the purposes of Article 5.4 of the Prospectus Directive. Prospectus Directive means Directive 2003/71/EC (as amended including by Directive 2010/73/EU) and includes any relevant implementing measure in a relevant Member State of the European Economic Area.

Application has been made to the *Autorité des marchés financiers* ("**AMF**") in France for approval of this Base Prospectus in its capacity as competent authority pursuant to Article 212.2 of its *Règlement Général* which implements the Prospectus Directive. Upon such approval, application may be made for securities issued under the Programme during a period of 12 months from the date of this Base Prospectus to be listed and/or admitted to trading on Euronext Paris and/or a Regulated Market (as defined below) in another Member State of the European Economic Area. Euronext Paris is a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EC (each such regulated market being a "**Regulated Market**"). Reference in this Base Prospectus to Securities being "listed" (and all related references) shall mean that such Securities have been listed and admitted to trading on Euronext Paris or, as the case may be, a Regulated Market (including the regulated market of the Luxembourg Stock Exchange) or on such other or further stock exchange(s) as the relevant Issuer may decide. Each Issuer may also issue unlisted Securities. The applicable Final Terms (as defined below) will specify whether or not Securities are to be listed and admitted to trading and, if so, the relevant Regulated Market or other or further stock exchange(s).

The requirement to publish a prospectus under the Prospectus Directive only applies to Securities which are to be admitted to trading on a regulated market in the European Economic Area and/or offered to the public in the European Economic Area other than in circumstances where an exemption is available under Article 3.2 of the Prospectus Directive (as implemented in the relevant Member State(s)).

The Issuers may issue Securities for which no prospectus is required to be published under the Prospectus Directive ("**Exempt Securities**") under this Base Prospectus. See "*Exempt Securities*" in the "*General Description of the Programme and Payout Methodology*" section below. The AMF has neither approved nor reviewed information contained in this Base Prospectus in connection with Exempt Securities.

Approval will also be granted by the Luxembourg Stock Exchange in accordance with Part IV of the Luxembourg Act on prospectuses for securities dated 10 July 2005, as amended, for Securities (including

Exempt Securities) issued under the Programme to be admitted to the Official List and admitted to trading on the Euro MTF Market of the Luxembourg Stock Exchange (the "**Euro MTF**") during the twelve-months after the date of approval of this Base Prospectus. This Base Prospectus also constitutes a prospectus for the purpose of Part IV of the Luxembourg law on prospectuses for securities dated 10 July 2005, as amended. The Euro MTF is not a regulated market for the purposes of Directive 2004/39/EC.

Under the Programme, each of BNPP B.V. and BNPP (the "**Issuers**" and each an "**Issuer**") may from time to time issue, *inter alia*, warrants ("**Warrants**" or "**Securities**") of any kind including, but not limited to, Securities relating to a specified index or a basket of indices, a specified share, global depositary receipt ("**GDR**") or American depositary receipt ("**ADR**") or a basket of shares, ADRs and/or GDRs, a specified interest in an exchange traded fund, an exchange traded note, an exchange traded commodity or other exchange traded product (each an "**exchange traded instrument**") or a basket of interests in exchange traded instruments, a specified debt instrument or a basket of debt instruments, a specified debt futures or debt options contract or a basket of debt futures or debt options contracts, a specified currency or a basket of currencies, a specified currency futures contract, a specified commodity or commodity index, or a basket of commodities and/or commodity indices, a specified inflation index or a basket of inflation indices, a specified fund share or unit or fund index or basket of fund shares or units or fund indices, a specified futures contract or basket of futures contracts, a specified underlying interest rate or basket of underlying interest rates, or the credit of a specified entity or entities and any other types of Securities including hybrid Securities whereby the underlying asset(s) may be any combination of such indices, shares, interests in exchange traded instruments, debt, currency, commodities, inflation indices, fund shares or units, fund indices, future contracts, credit of specified entities, underlying interest rates, or other asset classes or types. Each issue of Securities will be issued on the terms set out herein which are relevant to such Securities under "*Terms and Conditions of the Securities*" (the "**Security Conditions**" or the "**Conditions**"). Notice of, *inter alia*, the specific designation of the Securities, the aggregate nominal amount or number and type of the Securities, the date of issue of the Securities, the issue price (if applicable), the underlying asset, index, fund, fund index, reference entity or other item(s) to which the Securities relate, the exercise period or date, the governing law of the Securities, whether the Securities are eligible for sale in the United States and certain other terms relating to the offering and sale of the Securities will be set out in a final terms document (the "**Final Terms**") which may be issued for more than one series of Securities and will be filed with the AMF. Copies of Final Terms in relation to Securities to be listed on Euronext Paris will also be published on the website of the AMF ([www.amf-france.org](http://www.amf-france.org)). References herein to the Final Terms may include, in the case of U.S. Securities (as defined below), (x) a supplement to the Base Prospectus under Article 16 of the Prospectus Directive or (y) a prospectus. "**U.S. Securities**" means Securities that specify in the applicable Final Terms that such Securities are eligible for sale in the United States.

The specific terms of each Tranche of Exempt Securities will be set out in a pricing supplement document (the "**Pricing Supplement**"). In respect of Exempt Securities to be admitted to trading on the Euro MTF, the applicable Pricing Supplement will be delivered to the Luxembourg Stock Exchange on or before the date of issue of the Exempt Securities of the relevant Tranche and published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). Copies of Pricing Supplements will be available from the specified office of the Principal Paying Agent (subject as provided in paragraph 4 of "General Information", starting on page 881). Any reference in this Base Prospectus to "Final Terms", "relevant Final Terms" or "applicable Final Terms" will be deemed to include a reference to "Pricing Supplement", "relevant Pricing Supplement" or "applicable Pricing Supplement" in relation to Exempt Securities, to the extent applicable.

Securities may be governed by English law ("**English Law Securities**") and French law ("**French Law Securities**"), as specified in the applicable Final Terms, and the corresponding provisions in the Conditions will apply to such Securities. Only English Law Securities will be U.S. Securities.

In certain circumstances at the commencement of an offer period in respect of Securities but prior to the issue date, certain specific information (specifically, the issue price, fixed rate of interest, minimum and/or maximum rate of interest payable, the margin applied to the floating rate of interest payable, the gearing applied to the interest or final payout, the Gearing Up applied to the final payout, (in the case of Autocall Securities, Autocall One Touch Securities or Autocall Standard Securities) the FR Rate component of the final payout (which will be payable if certain conditions are met, as set out in the Payout Conditions), the AER Exit Rate used if an Automatic Early Exercise Event occurs, the Bonus Coupon component of the final

payout (in the case of Vanilla Digital Securities), the Up Cap Percentage component of the final payout (in the case of Certi-Plus: Generic Securities, Certi-Plus: Generic Knock-in Securities and Certi-Plus: Generic Knock-out Securities), any constant percentage (being any of Constant Percentage, Constant Percentage 1, Constant Percentage 2, Constant Percentage 3 or Constant Percentage 4) component of the final payout (which will be payable if certain conditions are met, as set out in the Payout Conditions) and/or the Knock-in Level and/or Knock-out Level used to ascertain whether a Knock-in Event or Knock-out Event, as applicable, has occurred) may not be known. In these circumstances, the Final Terms will specify an indicative range in respect of the issue price, relevant rates, levels or percentages and the actual rate, level or percentage, as applicable, will be notified to investors prior to the Issue Date. Accordingly, in these circumstances investors will be required to make their decision to invest in the relevant Securities based on the indicative range specified in the Final Terms. Notice of the actual rate, level or percentage, as applicable, will be published in the same manner as the publication of the Final Terms.

Securities issued by BNPP B.V. may be secured ("**Secured Securities**") or unsecured and will be guaranteed by BNPP (in such capacity, the "**BNPP Guarantor**" or the "**Guarantor**") pursuant to either (a) in respect of the Secured Securities, (i) a Deed of Guarantee for Secured Securities, in respect of English Law Securities (the "**Secured Securities English Law Guarantee**") or (ii) a *garantie*, in respect of Secured Securities, which are French Law Securities (the "**Secured Securities French Law Guarantee**" and, together with the Secured Securities English Law Guarantee, the "**Secured Securities Guarantees**"), the forms of which are set out herein or (b) in respect of the unsecured Securities, (i) a Deed of Guarantee for Unsecured Securities in respect of English Law Securities (the "**BNPP English Law Guarantee**") or (ii) a *garantie* in respect of unsecured Securities which are French Law Securities (the "**BNPP French Law Guarantee**" and, together with the BNPP English Law Guarantee the "**BNPP Unsecured Securities Guarantees**"), the forms of which are set out herein. The Secured Securities Guarantees and the BNPP Unsecured Securities Guarantees together, the "**BNPP Guarantees**".

Except in the case of U.S. Securities, each of BNPP B.V. and BNPP has a right of substitution as set out herein. In the event that either BNPP B.V. or BNPP exercises its right of substitution, a supplement to the Base Prospectus will be published on the website of the AMF ([www.amf-france.org](http://www.amf-france.org)) and on the website of BNPP (<https://rates-globalmarkets.bnpparibas.com/gm/public/LegalDocs.aspx>).

Each issue of Securities will entitle the holder thereof on due exercise either to receive a cash amount (if any) calculated in accordance with the relevant terms or to receive physical delivery of the underlying assets (against payment of a specified sum), all as set forth herein and in the applicable Final Terms.

Capitalised terms used in this Base Prospectus shall, unless otherwise defined, have the meanings set forth in the Conditions.

**Prospective purchasers of Securities should ensure that they understand the nature of the relevant Securities and the extent of their exposure to risks and that they consider the suitability of the relevant Securities as an investment in the light of their own circumstances and financial condition. Securities involve a high degree of risk and potential investors should be prepared to sustain a total loss of the purchase price of their Securities. See "Risk Factors" on pages 189 to 251.**

**In particular, the Securities and the Guarantees and, in the case of Physical Delivery Securities (as defined below), the Entitlement (as defined herein) to be delivered upon the exercise of such Securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws and trading in the Securities has not been approved by the United States Commodity Futures Trading Commission (the "CFTC") under the United States Commodity Exchange Act, as amended (the "Commodity Exchange Act"). None of the Issuers has registered as an investment company pursuant to the United States Investment Company Act of 1940, as amended (the "Investment Company Act"). Unless otherwise specified in the applicable Final Terms, the Securities are being offered and sold in reliance on Regulation S under the Securities Act ("Regulation S"). No Securities, or interests therein, may at any time be offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, persons that are (i) a "U.S. person" as defined in Regulation S; or (ii) a person other than a "Non-United States person" as defined in Rule 4.7 under the Commodity Exchange Act; or (iii) a "U.S. person" as defined in the Interpretive Guidance and Policy Statement**

Regarding Compliance with Certain Swap Regulations promulgated by the CFTC; or (iv) any other "U.S. person" as such term may be defined in Regulation S or in regulations or guidance adopted under the Commodity Exchange Act (each such person, a "U.S. person") unless expressly provided for pursuant to an applicable U.S. wrapper to the Base Prospectus. Any such applicable U.S. wrapper may restrict the types of Securities that can be offered, sold, resold, held, traded, pledged, exercised, transferred or delivered and the terms of such Securities. Any offer, sale, resale, trade, pledge, exercise, transfer or delivery made, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. person will not be recognised. No Securities other than U.S. Securities may be legally or beneficially owned at any time by any U.S. person (as defined in the "*Offering and Sale*" section below) and accordingly are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S and pursuant to CFTC regulations and guidance.

Certain issues of U.S. Securities of BNPP may also be offered and sold in the United States to (i) persons reasonably believed to be qualified institutional buyers ("QIBs") as defined in Rule 144A under the Securities Act ("Rule 144A") and (ii) certain accredited investors ("AIs") as defined in Rule 501(a) under the Securities Act. Certain issues of U.S. Securities of BNPP B.V. may be offered and sold in the United States to persons reasonably believed to be both QIBs and qualified purchasers ("QPs") as defined under the Investment Company Act.

Each purchaser of U.S. Securities within the United States is hereby notified that the offer and sale of such Securities is being made in reliance upon an exemption from the registration requirements of the Securities Act. For a description of certain further restrictions on offers and sales of the Securities and on the distribution of this Base Prospectus, see "*Offering and Sale*" below.

U.S. Securities will, unless otherwise specified in the Final Terms, be sold through BNP Paribas Securities Corp., a registered broker-dealer. Hedging transactions involving Physical Delivery Securities may not be conducted unless in compliance with the Securities Act. See the Conditions below.

Securities related to a specified interest in an exchange traded instrument or basket of interests in exchange traded instruments, a specified commodity or commodity index or basket of commodities and/or commodity indices, a specified interest rate or basket of interest rates or a specified inflation index or basket of inflation indices, a specified currency or basket of currencies, a specified currency futures contract, a specified fund share or unit or fund index or basket of fund shares or units or fund indices, the credit of a specified reference entity or reference entities, a specified futures contract or basket of futures contracts or Hybrid Securities related to any of these asset classes, may not at any time be offered, sold, resold, held, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in the United States or to, by or for the account or benefit of, persons that are (i) a "U.S. person" as defined in Regulation S; or (ii) a person other than a "Non-United States person" as defined in Rule 4.7 under the Commodity Exchange Act; or (iii) a "U.S. person" as defined in the Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations promulgated by the CFTC; or (iv) any other "U.S. person" as such term may be defined in Regulation S or in regulations or guidance adopted under the Commodity Exchange Act (each such person, a "U.S. person"), unless expressly provided for pursuant to any applicable U.S. wrapper to the Base Prospectus. Any such applicable U.S. wrapper may restrict the types of Securities that can be offered, sold, resold, held, traded, pledged, exercised, redeemed, transferred or delivered and the terms of such Securities.

Neither the United States Securities and Exchange Commission (the "SEC") nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy of this prospectus. Any representation to the contrary is a criminal offence.

**The Securities to the extent they constitute "Secured Securities" may not be sold to, or for the account or benefit of, U.S. persons as defined in the U.S. Risk Retention Rules ("Risk Retention U.S. Persons") except to the extent permitted under an exemption to the U.S. Risk Retention Rules as described under "Risk Factors" at page 217. "U.S. Risk Retention Rules" means Regulation RR (17 C.F.R Part 246) implementing the risk retention requirements of Section 15G of the U.S. Securities Exchange Act of 1934, as amended.**

The Issuers have requested the AMF to provide the competent authorities in Belgium, Denmark, Finland, Italy, Luxembourg, Norway, Portugal, Spain and Sweden with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.

In the event that the applicable Final Terms specify that the Securities are U.S. Securities, (A) the Securities sold in the United States by BNPP to QIBs within the meaning of Rule 144A will be represented by one or more global Securities (each, a "**Rule 144A Global Security**") issued and deposited with (1) a custodian for, and registered in the name of a nominee of, The Depository Trust Company ("**DTC**") or (2) a common depositary on behalf of Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**") or Euroclear Bank S.A./N.V. ("**Euroclear**") and/or any other relevant clearing system, (B) the Securities sold in the United States by BNPP to AIs will be issued and registered in definitive form (each, a "**Private Placement Definitive Security**"), (C) the Securities sold in the United States by BNPP B.V. to QIBs who are QPs will be represented by a Rule 144A Global Security or in the form of Private Placement Definitive Securities, as may be indicated in any applicable U.S. wrapper to the Base Prospectus and (D) in any such case, Securities sold outside the United States to non-U.S. persons will be represented by a one or more global Securities (each, a "**Regulation S Global Security**") issued and deposited with a common depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant clearing system and may not be legally or beneficially owned at any time by any U.S. person. In the event that the Final Terms do not specify that Securities are eligible for sale within the United States or to U.S. persons, the Securities offered and sold outside the United States to non-U.S. persons may not be legally or beneficially owned at any time by any U.S. person and will be represented by a Clearing System Global Security or a Registered Global Security, as the case may be.

BNPP's long-term credit ratings are A with a stable outlook (Standard & Poor's Credit Market Services France SAS ("**Standard & Poor's**")), A1 with a stable outlook (Moody's Investors Service Ltd. ("**Moody's**")), A+ with a stable outlook (Fitch France S.A.S. ("**Fitch France**")) and AA (low) with a stable outlook (DBRS Limited ("**DBRS**")) and BNPP's short-term credit ratings are A-1 (Standard & Poor's), P-1 (Moody's), F1 (Fitch France) and R-1 (middle) (DBRS). BNPP B.V.'s long-term credit ratings are A with a stable outlook (Standard & Poor's) and BNPP B.V.'s short term credit ratings are A-1 (Standard & Poor's). Each of Standard & Poor's, Moody's, Fitch France and DBRS is established in the European Union and is registered under the Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**"). As such each of Standard & Poor's, Moody's, Fitch France and DBRS is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. Securities issued under the Programme may be rated or unrated. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. Please also refer to "Credit Ratings may not Reflect all Risks" in the Risk Factors section of this Base Prospectus.

## IMPORTANT NOTICES

The securities described in this Base Prospectus may only be offered in The Netherlands to Qualified Investors (as defined in the Prospectus Directive).

### Disclaimer statement for structured products (Securities)

In relation to investors in the Kingdom of Bahrain, Securities issued in connection with this Base Prospectus and related offering documents must be in registered form and must only be marketed to existing account holders and accredited investors as defined by the CBB in the Kingdom of Bahrain where such investors make a minimum investment of at least U.S.\$ 100,000 or any equivalent amount in other currency or such other amounts as the CBB may determine.

This offer does not constitute an offer of Securities in the Kingdom of Bahrain in terms of Article (81) of the Central Bank and Financial Institutions Law 2006 (decree Law No. 64 of 2006). This Base Prospectus and related offering documents have not been and will not be registered as a prospectus with the Central Bank of Bahrain (CBB). Accordingly, no Securities may be offered, sold or made the subject of an invitation for

subscription or purchase nor will this Base Prospectus or any other related document or material be used in connection with any offer, sale or invitation to subscribe or purchase Securities, whether directly or indirectly, to persons in the Kingdom of Bahrain, other than as marketing to accredited investors for an offer outside Bahrain.

The CBB has not reviewed, approved or registered this Base Prospectus or related offering documents and it has not in any way considered the merits of the Securities to be marketed for investment, whether in or outside the Kingdom of Bahrain. Therefore, the CBB assumes no responsibility for the accuracy and completeness of the statements and information contained in this document and expressly disclaims any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the contents of this document.

No offer of securities will be made to the public in the Kingdom of Bahrain and this prospectus must be read by the addressee only and must not be issued, passed to, or made available to the public generally.

**IMPORTANT – EEA RETAIL INVESTORS** – Unless the Final Terms in respect of any Securities specifies the "Prohibition of Sales to EEA Retail Investors – Legend" as not applicable, the Securities, from 1 January 2018 are not intended to be offered, sold or otherwise made available to and, with effect from such date, should not be offered, sold or otherwise made available to any retail investor in the 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 ("**MiFID II**"); (ii) a customer within the meaning of Directive 2002/92/EC (IMD), 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 the Prospectus Directive. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling those Securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling those Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

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## PROGRAMME SUMMARY IN RELATION TO THIS BASE PROSPECTUS

*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, Issuers and Guarantors. 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, Issuer and Guarantor(s), it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element should be included in the summary explaining why it is not applicable.*

### Section A - Introduction and warnings

Element	Title	
A.1	Warning that the summary should be read as an introduction and provision as to claims	<ul style="list-style-type: none"> <li>• <b>This summary should be read as an introduction to the Base Prospectus and the applicable Final Terms. In this summary, unless otherwise specified and except as used in the first paragraph of Element D.3, "Base Prospectus" means the Base Prospectus of BNPP B.V. and BNPP dated 7 June 2017 as supplemented from time to time under the Note, Warrant and Certificate Programme of BNPP B.V., BNPP and BNP Paribas Fortis Funding. In the first paragraph of Element D.3, "Base Prospectus" means the Base Prospectus of BNPP B.V. and BNPP dated 7 June 2017 under the Note, Warrant and Certificate Programme of BNPP B.V., BNPP and BNP Paribas Fortis Funding.</b></li> <li>• <b>Any decision to invest in any Securities should be based on a consideration of this Base Prospectus as a whole, including any documents incorporated by reference and the applicable Final Terms.</b></li> <li>• <b>Where a claim relating to information contained in the Base Prospectus and the applicable Final Terms is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating the Base Prospectus and the applicable Final Terms before the legal proceedings are initiated.</b></li> <li>• <b>No civil liability will attach to the Issuer or the Guarantor (if any) in any such Member State solely on the basis of this summary, including any translation hereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus and the applicable Final Terms or, following the implementation of the relevant provisions of Directive 2010/73/EU in the relevant Member State, it does not provide, when read together with the other parts of this Base Prospectus and the applicable Final Terms, key information (as defined in Article 2.1(s) of the Prospectus</b></li> </ul>

Element	Title	
		<b>Directive) in order to aid investors when considering whether to invest in the Securities.</b>
<b>A.2</b>	Consent as to use the Base Prospectus, period of validity and other conditions attached	<p>Certain issues of Securities with an issue price of less than EUR100,000 (or its equivalent in any other currency) may 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 as a "<b>Non-exempt Offer</b>". Subject to the conditions set out below, the Issuer consents to the use of this Base Prospectus in connection with a Non-exempt Offer of Securities by the Managers, any financial intermediary named as an Authorised Offeror in the applicable Final Terms and any financial intermediary whose name is published on BNPP's website (<a href="https://rates-globalmarkets.bnpparibas.com/gm/Public/LegalDocs.aspx">https://rates-globalmarkets.bnpparibas.com/gm/Public/LegalDocs.aspx</a>) and identified as an Authorised Offeror in respect of the relevant Non-exempt Offer and (if "General Consent" is specified in the applicable Final Terms) any financial intermediary which is authorised to make such offers under applicable legislation implementing the Markets in Financial Instruments Directive (Directive 2004/39/EC) and publishes on its website the following statement (with the information in square brackets being duly completed with the relevant information):</p> <p><i>"We, [insert legal name of financial intermediary], refer to the offer of [insert title of relevant Securities] (the "Securities") described in the Final Terms dated [insert date] (the "<b>Final Terms</b>") published by [ ] (the "<b>Issuer</b>"). In consideration of the Issuer offering to grant its consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Securities in the Non-exempt Offer Jurisdictions specified in the applicable Final Terms during the Offer Period and subject to the other conditions to such consent, each as specified in the Base Prospectus, we hereby accept the offer by the Issuer in accordance with the Authorised Offeror Terms (as specified in the Base Prospectus) and confirm that we are using the Base Prospectus accordingly."</i></p> <p><i>Offer period:</i> The Issuer's consent is given for Non-exempt Offers of Securities during the Offer Period specified in the applicable Final Terms.</p> <p><i>Conditions to consent:</i> The conditions to the Issuer's consent (in addition to the conditions referred to above) are that such consent (a) is only valid during the Offer Period specified in the applicable Final Terms; and (b) only extends to the use of this Base Prospectus to make Non-exempt Offers of the relevant Tranche of Securities in the Non-exempt Offer Jurisdictions specified in the applicable Final Terms.</p>

Element	Title	
		<p>AN INVESTOR INTENDING TO PURCHASE OR PURCHASING ANY SECURITIES IN A NON-EXEMPT 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 THE TERMS AND CONDITIONS OF THE OFFER IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING ARRANGEMENTS IN RELATION TO PRICE, ALLOCATIONS, EXPENSES AND SETTLEMENT. THE RELEVANT INFORMATION WILL BE PROVIDED BY THE AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER.</p>

### Section B - Issuers and Guarantors

Element	Title	
<b>B.1</b>	Legal and commercial name of the Issuer	Securities may be issued under this Base Prospectus under the Note, Warrant and Certificate Programme by BNP Paribas Issuance B.V. (formerly BNP Paribas Arbitrage Issuance B.V.) (" <b>BNPP B.V.</b> ") or BNP Paribas (" <b>BNPP</b> " or the " <b>Bank</b> " and, together with BNPP B.V., each an " <b>Issuer</b> ").
<b>B.2</b>	Domicile/ legal form/ legislation/ country of incorporation	<ul style="list-style-type: none"> <li>BNPP B.V. was incorporated in the Netherlands as a private company with limited liability under Dutch law having its registered office at Herengracht 595, 1017 CE Amsterdam, the Netherlands; and</li> <li>BNPP was incorporated in France as a <i>société anonyme</i> under French law and licensed as a bank having its head office at 16, boulevard des Italiens – 75009 Paris, France.</li> </ul>
<b>B.4b</b>	Trend information	<p><b><i>In respect of BNPP:</i></b></p> <p><b><i>Macroeconomic environment.</i></b></p> <p>Macroeconomic and market conditions affect BNPP's results. The nature of BNPP's business makes it particularly sensitive to macroeconomic and market conditions in Europe, which have been at times challenging and volatile in recent years.</p>

Element	Title	
		<p>In 2016, global growth stabilised slightly above 3%, despite a much lower growth in the advanced economies. Three major transitions continue to affect the global outlook: declining economic growth in China, fluctuating energy prices that rose in 2016, and a second tightening of monetary policy in the United States in the context of a resilient domestic recovery. It should be noted that the central banks of several large developed countries continue to maintain accommodative monetary policies. IMF economic forecasts for 2017<sup>1</sup> point to a recovery in global activity, no significant improvement in growth in the euro zone and Japan, and a slowdown in the United Kingdom.</p> <p>In that context, two risks can be identified:</p> <p><i>Financial instability due to the vulnerability of emerging countries</i></p> <p>While the exposure of the BNP Paribas Group to emerging countries is limited, the vulnerability of these economies may generate disruptions in the global financial system that could affect the BNP Paribas Group and potentially alter its results.</p> <p>A broad increase in the foreign exchange liabilities of the economies of many emerging market economies was observed in 2016, at a time when debt levels (in both foreign and local currency) were already high. The private sector was the main source of the increase in this debt. Furthermore, the prospect of a gradual increase in US key rates (the Federal Reserve Bank made its first increase in December 2015, and a second in December 2016) and increased financial volatility stemming from concerns about growth and mounting geopolitical risk in emerging markets have contributed to a tightening of external financial conditions, increased capital outflows, further currency depreciations in many emerging markets and heightened risks for banks. These factors could result in further downgrades of sovereign ratings.</p> <p>There is still a risk of disturbances in global markets (rising risk premiums, erosion of confidence, declining growth, deferral or slower pace of normalisation of monetary policies, declining liquidity in markets, asset valuation problems, decline in credit supply and disorderly deleveraging) that could affect all banking institutions.</p> <p><i>Systemic risks related to increased debt and market liquidity</i></p> <p>Despite the upturn since mid-2016, interest rates remain low, which may continue to encourage excessive risk-taking among some players in the financial system: increased maturities of financing and assets held, less stringent policy for granting loans, increase in leveraged financing.</p> <p>Some players (insurance companies, pension funds, asset managers, etc.) entail an increasingly systemic dimension and in the event of market turbulence (linked for instance to a sudden rise in interest rates and/or a sharp price correction) they may decide to unwind large positions in an environment</p>

<sup>1</sup> See notably: IMF – World Economic Outlook, updated in January 2017.

Element	Title	
		<p>of relatively weak market liquidity.</p> <p>Recent years have also seen an increase in debt (public and private) in both developed and emerging countries. The resulting risk could materialise either in the event of a spike in interest rates or a further negative growth shock.</p> <p><b><i>Laws and regulations applicable to financial institutions</i></b></p> <p>Recent and future changes in the laws and regulations applicable to financial institutions may have a significant impact on BNPP. Measures that were recently adopted or which are (or whose application measures are) still in draft format, that have or are likely to have an impact on BNPP notably include:</p> <ul style="list-style-type: none"> <li>- the structural reforms comprising the French banking law of 26 July 2013 requiring that banks create subsidiaries for or segregate "speculative" proprietary operations from their traditional retail banking activities, the "Volcker rule" in the US which restricts proprietary transactions, sponsorship and investment in private equity funds and hedge funds by US and foreign banks, and upcoming potential changes in Europe;</li> <li>- regulations governing capital: the Capital Requirements Directive IV ("<b>CRD4</b>")/the Capital Requirements Regulation ("<b>CRR</b>"), the international standard for total loss-absorbing capacity ("<b>TLAC</b>") and BNPP's designation as a financial institution that is of systemic importance by the Financial Stability Board;</li> <li>- the European Single Supervisory Mechanism and the ordinance of 6 November 2014;</li> <li>- the Directive of 16 April 2014 related to deposit guarantee systems and its delegation and implementing decrees, the Directive of 15 May 2014 establishing a Bank Recovery and Resolution framework, the Single Resolution Mechanism establishing the Single Resolution Council and the Single Resolution Fund;</li> <li>- the Final Rule by the US Federal Reserve imposing tighter prudential rules on the US transactions of large foreign banks, notably the obligation to create a separate intermediary holding company in the US (capitalised and subject to regulation) to house their US subsidiaries;</li> <li>- the new rules for the regulation of over-the-counter derivative activities pursuant to Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act, notably margin requirements for uncleared derivative products and the derivatives of securities traded by swap dealers, major swap participants, security-based swap dealers and major security-based swap participants, and the rules of the US Securities and Exchange Commission which require the</li> </ul>

Element	Title	
		<p>registration of banks and major swap participants active on derivatives markets and transparency and reporting on derivative transactions;</p> <p>- the new Markets in Financial Instruments Directive ("<b>MiFID</b>") and Markets in Financial Instruments Regulation ("<b>MiFIR</b>"), and European regulations governing the clearing of certain over-the-counter derivative products by centralised counterparties and the disclosure of securities financing transactions to centralised bodies.</p> <p>Moreover, in today's tougher regulatory context, the risk of non-compliance with existing laws and regulations, in particular those relating to the protection of the interests of customers, is a significant risk for the banking industry, potentially resulting in significant losses and fines. In addition to its compliance system, which specifically covers this type of risk, the BNP Paribas Group places the interest of its customers, and more broadly that of its stakeholders, at the heart of its values. The new code of conduct adopted by the BNP Paribas Group in 2016 sets out detailed values and rules of conduct in this area.</p> <p><b>Cyber risk</b></p> <p>In recent years, financial institutions have been impacted by a number of cyber incidents, notably involving large-scale alterations of data which compromise the quality of financial information. This risk remains today and BNPP, like other banks, has taken measures to implement systems to deal with cyber attacks that could destroy or damage data and critical systems and hamper the smooth running of its operations. Moreover, the regulatory and supervisory authorities are taking initiatives to promote the exchange of information on cyber security and cyber criminality in order to improve the security of technological infrastructures and establish effective recovery plans after a cyber incident.</p> <p><i>In respect of BNPP B.V.:</i></p> <p>BNPP B.V. is dependent upon BNPP. BNPP B.V. is a wholly owned subsidiary of BNPP specifically involved in the issuance of securities such as notes, warrants or certificates or other obligations which are developed, set up and sold to investors by other companies in the BNP Paribas Group (including BNPP). The securities are hedged by acquiring hedging instruments and/or collateral from BNP Paribas and BNP Paribas entities, as described in Element D.2 below. As a consequence, the Trend Information described with respect to BNPP shall also apply to BNPP B.V.</p>
<b>B.5</b>	Description of the Group	<p>BNPP is a European leading provider of banking and financial services and has four domestic retail banking markets in Europe, namely in Belgium, France, Italy and Luxembourg. It is present in 74 countries and has more than 192,000 employees, including more than 146,000 in Europe. BNPP is the parent company of the BNP Paribas Group (together the "<b>BNPP Group</b>"). BNPP B.V. is a wholly owned subsidiary of BNPP.</p>

Element	Title																																																	
<b>B.9</b>	Profit forecast or estimate	Not applicable, as there are no profit forecasts or estimates made in respect of the Issuer in the Base Prospectus to which this Summary relates.																																																
<b>B.10</b>	Audit report qualifications	Not applicable, there are no qualifications in any audit report on the historical financial information included in the Base Prospectus.																																																
<b>B.12</b>	<p>Selected historical key financial information:</p> <p><b>In relation to BNPP B.V.:</b></p> <p><b>Comparative Annual Financial Data - In EUR</b></p> <table> <tr> <th></th><th><b>31/12/2016 (audited)</b></th><th><b>31/12/2015 (audited)</b></th></tr> <tr> <td>Revenues</td><td>399,805</td><td>315,558</td></tr> <tr> <td>Net income, Group share</td><td>23,307</td><td>19,786</td></tr> <tr> <td>Total balance sheet</td><td>48,320,273,908</td><td>43,042,575,328</td></tr> <tr> <td>Shareholders' equity (Group share)</td><td>488,299</td><td>464,992</td></tr> </table> <p><b>In relation to BNPP:</b></p> <p><b>Comparative Annual Financial Data - In millions of EUR</b></p> <table> <tr> <th></th><th><b>31/12/2016 (audited)</b></th><th><b>31/12/2015 (audited)</b></th></tr> <tr> <td>Revenues</td><td>43,411</td><td>42,938</td></tr> <tr> <td>Cost of risk</td><td>(3,262)</td><td>(3,797)</td></tr> <tr> <td>Net income, Group share</td><td>7,702</td><td>6,694</td></tr> <tr> <td></td><td><b>31/12/2016</b></td><td><b>31/12/2015</b></td></tr> <tr> <td>Common equity Tier 1 ratio (Basel 3 fully loaded, CRD4)</td><td>11.5%</td><td>10.9%</td></tr> <tr> <td></td><td><b>31/12/2016 (audited)</b></td><td><b>31/12/2015 (audited)</b></td></tr> <tr> <td>Total consolidated balance sheet</td><td>2,076,959</td><td>1,994,193</td></tr> <tr> <td>Consolidated loans and receivables due from customers</td><td>712,233</td><td>682,497</td></tr> <tr> <td>Consolidated items due to customers</td><td>765,953</td><td>700,309</td></tr> <tr> <td>Shareholders' equity (Group share)</td><td>100,665</td><td>96,269</td></tr> </table>			<b>31/12/2016 (audited)</b>	<b>31/12/2015 (audited)</b>	Revenues	399,805	315,558	Net income, Group share	23,307	19,786	Total balance sheet	48,320,273,908	43,042,575,328	Shareholders' equity (Group share)	488,299	464,992		<b>31/12/2016 (audited)</b>	<b>31/12/2015 (audited)</b>	Revenues	43,411	42,938	Cost of risk	(3,262)	(3,797)	Net income, Group share	7,702	6,694		<b>31/12/2016</b>	<b>31/12/2015</b>	Common equity Tier 1 ratio (Basel 3 fully loaded, CRD4)	11.5%	10.9%		<b>31/12/2016 (audited)</b>	<b>31/12/2015 (audited)</b>	Total consolidated balance sheet	2,076,959	1,994,193	Consolidated loans and receivables due from customers	712,233	682,497	Consolidated items due to customers	765,953	700,309	Shareholders' equity (Group share)	100,665	96,269
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Element	Title	
	<b>Comparative Interim Financial Data for the three-month period ended 31 March 2017 – In millions of EUR</b>	
		<div>1Q17 (unaudited)</div> <div>1Q16 (unaudited)</div>
	Revenues	11,29710,844
	Cost of risk	(592)(757)
	Net income, Group share	1,8941,814
		<div>31/03/2017</div> <div>31/12/2016</div>
	Common equity Tier 1 ratio (Basel 3 fully loaded, CRD4)	11.6%11.5%
		<div>31/03/2017 (unaudited)</div> <div>31/12/2016 (audited)</div>
	Total consolidated balance sheet	2,197,6582,076,959
	Consolidated loans and receivables due from customers	718,009712,233
	Consolidated items due to customers	801,381765,953
	Shareholders' equity (Group share)	102,076100,665
	<p><b>Statements of no significant or material adverse change</b></p> <p>There has been no significant change in the financial or trading position of the BNPP Group since 31 December 2016 (being the end of the last financial period for which audited financial statements have been published). There has been no material adverse change in the prospects of BNPP or the BNPP Group since 31 December 2016 (being the end of the last financial period for which audited financial statements have been published).</p> <p>There has been no significant change in the financial or trading position of BNPP B.V. since 31 December 2016 and there has been no material adverse change in the prospects of BNPP B.V. since 31 December 2016.</p>	
<b>B.13</b>	Events impacting the Issuer's solvency	Not applicable, as at the date of this Base Prospectus and to the best of the relevant Issuer's knowledge, there have not been any recent events which are to a material extent relevant to the evaluation of the relevant Issuer's solvency since 31 December 2016.
<b>B.14</b>	Dependence upon other group entities	<p>Subject to the following paragraph, BNPP is not dependent upon other members of the BNPP Group. BNPP B.V. is dependent upon the other members of the BNPP Group.</p> <p>In April 2004, BNPP began outsourcing IT Infrastructure Management Services to the BNP Paribas Partners for Innovation (<b>BP<sup>2</sup>I</b>) joint venture set up with IBM France at the end of 2003. BP<sup>2</sup>I provides IT Infrastructure</p>



Element	Title	
		<p>Management Services for BNPP and several BNPP subsidiaries in France (including BNP Paribas Personal Finance, BP2S, and BNP Paribas Cardif), Switzerland, and Italy. In mid-December 2011 BNPP renewed its agreement with IBM France for a period lasting until end-2017. At the end of 2012, the parties entered into an agreement to gradually extend this arrangement to BNP Paribas Fortis as from 2013. The Swiss subsidiary was closed on 31 December 2016.</p> <p>BP<sup>2</sup>I is under the operational control of IBM France. BNP Paribas has a strong influence over this entity, which is 50/50 owned with IBM France. The BNP Paribas staff made available to BP<sup>2</sup>I make up half of that entity's permanent staff, its buildings and processing centres are the property of the Group, and the governance in place provides BNP Paribas with the contractual right to monitor the entity and bring it back into the Group if necessary.</p> <p>ISFS is a fully-owned IBM subsidiary, which has changed its name to IBM Luxembourg, and handles IT Infrastructure Management for part of BNP Paribas Luxembourg's entities.</p> <p>BancWest's data processing operations are outsourced to Fidelity Information Services ("<b>FIS</b>") for its core banking. The hosting and production operations are also located at FIS in Honolulu.</p> <p>Cofinoga France's data processing is outsourced to SDDC, a fully-owned IBM subsidiary.</p> <p>BNPP B.V. is dependent upon BNPP. BNPP B.V. is a wholly owned subsidiary of BNPP specifically involved in the issuance of securities such as notes, warrants or certificates or other obligations which are developed, set up and sold to investors by other companies in the BNPP Group (including BNPP). The securities are hedged by acquiring hedging instruments and/or collateral from BNP Paribas and BNP Paribas entities as described in Element D.2 below.</p> <p>See also Element B.5 above.</p>
<b>B.15</b>	Principal activities	<p>BNP Paribas holds key positions in its two main businesses:</p> <ul style="list-style-type: none"> <li>• <b>Retail Banking and Services</b>, which includes: <ul style="list-style-type: none"> <li>• Domestic Markets, comprising: <ul style="list-style-type: none"> <li>• French Retail Banking (FRB),</li> <li>• BNL banca commerciale (BNL bc), Italian retail banking,</li> <li>• Belgian Retail Banking (BRB),</li> <li>• Other Domestic Markets activities, including</li> </ul> </li> </ul> </li> </ul>

Element	Title	
		<p>Luxembourg Retail Banking (LRB);</p> <ul style="list-style-type: none"> <li>• International Financial Services, comprising: <ul style="list-style-type: none"> <li>• Europe-Mediterranean,</li> <li>• BancWest,</li> <li>• Personal Finance,</li> <li>• Insurance,</li> <li>• Wealth and Asset Management;</li> </ul> </li> <li>• <b>Corporate and Institutional Banking (CIB)</b>, which includes: <ul style="list-style-type: none"> <li>• Corporate Banking,</li> <li>• Global Markets,</li> <li>• Securities Services.</li> </ul> </li> <li>• The principal activity of BNPP B.V. is to issue and/or acquire financial instruments of any nature and to enter into related agreements for the account of various entities within the BNPP Group.</li> </ul>
<b>B.16</b>	Controlling shareholders	<ul style="list-style-type: none"> <li>• None of the existing shareholders controls, either directly or indirectly, BNPP. As at 31 December 2016, the main shareholders were Société Fédérale de Participations et d'Investissement ("<b>SFPI</b>") a <i>public-interest société anonyme</i> (public limited company) acting on behalf of the Belgian government holding 10.2% of the share capital, BlackRock Inc. holding 5.2% of the share capital and Grand Duchy of Luxembourg holding 1.0% of the share capital. To BNPP's knowledge, no shareholder other than SFPI and BlackRock Inc. owns more than 5% of its capital or voting rights.</li> <li>• On 4 May 2017, the Belgian State via the Federal Holding and Investment Company ("<b>SFPI-FPIM</b>") announced that it had entered into forward sale transaction in respect of 31,198,404 shares of BNPP representing approximately 2.5% of the share capital held by SFPI-FPIM. Upon settlement of such forward sale transactions, SFPI-FPIM's shareholding in BNPP will reduce to approximately 7.8%.</li> <li>• BNP Paribas holds 100 per cent. of the share capital of the BNPP B.V.</li> </ul>
<b>B.17</b>	Solicited credit ratings	BNPP B.V.'s long term credit ratings are A with a stable outlook (Standard & Poor's Credit Market Services France SAS) and BNPP B.V.'s short term credit ratings are A-1 (Standard & Poor's Credit Market Services France SAS).

Element	Title	
		<p>BNPP's long term credit ratings are A with a stable outlook (Standard &amp; Poor's Credit Market Services France SAS), A1 with a stable outlook (Moody's Investors Service Ltd.), A+ with a stable outlook (Fitch France S.A.S.) and AA (low) with a stable outlook (DBRS Limited) and BNPP's short-term credit ratings are A-1 (Standard &amp; Poor's Credit Market Services France SAS), P-1 (Moody's Investors Service Ltd.), F1 (Fitch France S.A.S.) and R-1 (middle) (DBRS Limited).</p> <p>Securities issued under the Base Prospectus may be rated or unrated.</p> <p>A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.</p>
<b>B.18</b>	Description of the Guarantee	<p>English law unsecured Securities issued by BNPP B.V. will be unconditionally and irrevocably guaranteed by BNPP pursuant to an English law deed of guarantee executed by BNPP on or around 7 June 2017. The obligations under the guarantee are unsubordinated and unsecured obligations of BNPP and will rank <i>pari passu</i> with all its other present and future unsubordinated and unsecured obligations subject to such exceptions as may from time to time be mandatory under French law.</p> <p>In the event of a bail-in of BNPP but not BNPP B.V., the obligations and/or amounts owed by BNPP under the guarantee shall be reduced to reflect any such modification or reduction applied to liabilities of BNPP resulting from the application of a bail-in of BNPP by any relevant regulator (including in a situation where the guarantee itself is not the subject of such bail-in).</p> <p>English law secured Securities issued by BNPP B.V. will be unconditionally and irrevocably guaranteed by BNPP pursuant to an English law deed of guarantee executed by BNPP on or around 7 June 2017. The obligations under the guarantee are unsubordinated and unsecured obligations of BNPP and will rank <i>pari passu</i> with all its other present and future unsubordinated and unsecured obligations subject to such exceptions as may from time to time be mandatory under French law.</p> <p>French law unsecured Securities issued by BNPP B.V. will be unconditionally and irrevocably guaranteed by BNPP pursuant to a French law <i>garantie</i> executed by BNPP on or around 7 June 2017. The obligations under the <i>garantie</i> are unsubordinated and unsecured obligations of BNPP and will rank <i>pari passu</i> with all its other present and future unsubordinated and unsecured obligations subject to such exceptions as may from time to time be mandatory under French law.</p> <p>In the event of a bail-in of BNPP but not BNPP B.V., the obligations and/or amounts owed by BNPP under the guarantee shall be reduced to reflect any such modification or reduction applied to liabilities of BNPP resulting from the application of a bail-in of BNPP by any relevant regulator (including in a situation where the guarantee itself is not the subject of such bail-in).</p>

Element	Title	
		French law secured Securities issued by BNPP B.V. will be unconditionally and irrevocably guaranteed by BNPP pursuant to a French law <i>garantie</i> executed by BNPP on or around 7 June 2017. The obligations under the <i>garantie</i> are unsubordinated and unsecured obligations of BNPP and will rank <i>pari passu</i> with all its other present and future unsubordinated and unsecured obligations subject to such exceptions as may from time to time be mandatory under French law.
<b>B.19</b>	Information about the Guarantor	See Elements B.1 to B.17 above in the case of BNPP.

### Section C – Securities

Element	Title	
<b>C.1</b>	Type and class of Securities/ISIN	<p>Warrants ("<b>Warrants</b>" or "<b>Securities</b>") may be issued under this Base Prospectus.</p> <p>BNPP B.V. and BNPP may issue Warrants governed by English law or French law.</p> <p>BNPP B.V. may issue secured and unsecured Warrants.</p> <p>The ISIN, Common Code and Mnemonic Code in respect of a Series of Securities will be specified in the applicable Final Terms.</p> <p>If specified in the applicable Final Terms, the Securities will be consolidated and form a single series with such earlier Tranches as are specified in the applicable Final Terms.</p> <p>Securities may be cash settled ("<b>Cash Settled Securities</b>") or physically settled by delivery of assets ("<b>Physically Settled Securities</b>").</p>
<b>C.2</b>	Currency	Subject to compliance with all applicable laws, regulations and directives, Securities may be issued in any currency.
<b>C.5</b>	Restrictions on free transferability	The Securities will be freely transferable, subject to the offering and selling restrictions in the United States, the European Economic Area, Belgium, Denmark, Finland, France, Italy, Luxembourg, Norway, Portugal, Spain, Sweden, Japan and Australia and under the Prospectus Directive and the laws of any jurisdiction in which the relevant Securities are offered or sold.
<b>C.8</b>	Rights attaching to the Securities	<p>Securities issued under this Base Prospectus will have terms and conditions relating to, among other matters:</p> <p><b>Status</b></p> <p><i>In the case of Securities issued by BNPP B.V.:</i></p> <p>Securities may be issued on either a secured or unsecured basis. Securities</p>

Element	Title	
		<p>issued on an unsecured basis constitute unsubordinated and unsecured obligations of the Issuer and rank <i>pari passu</i> among themselves.</p> <p>Securities issued on a secured basis ("<b>Secured Securities</b>") constitute unsubordinated and secured obligations of the Issuer and will rank <i>pari passu</i> among themselves.</p> <p><i>In the case of Securities issued by BNPP:</i></p> <p>The Securities constitute unsubordinated and unsecured obligations of the Issuer and rank <i>pari passu</i> among themselves. The term "unsubordinated obligations" refers to senior preferred obligations which fall or are expressed to fall within the category of obligations described in article L613-30-3-I-3° of the <i>French Code monétaire et financier</i>. Additionally, the Issuers may not issue senior non-preferred securities pursuant to this Base Prospectus.</p> <p><b>Secured Securities</b></p> <p>In respect of Secured Securities, BNPP B.V. will grant a security interest in favour of BNP Paribas Trust Corporation UK Limited or such other entity specified as the collateral agent in the Final Terms (the "<b>Collateral Agent</b>") on behalf of the Collateral Agent and the relevant holders over assets (such assets, the "<b>Collateral Assets</b>") held in accounts with a custodian or bank (each a "<b>Collateral Account</b>").</p> <p>One or more series of Secured Securities may be secured by the same pool of Collateral Assets (each a "<b>Collateral Pool</b>"). The Collateral Assets in a Collateral Pool must consist of the eligible collateral specified in the applicable Final Terms. The applicable Final Terms will specify the Collateral Assets which comprise the Collateral Pool(s) for the series of Secured Securities and whether or not the Issuer will provide collateral in respect of the marked to market value of the Secured Securities ("<b>MTM Collateralisation</b>") or in respect of part of the marked to market value of the Secured Securities ("<b>Partial MTM Collateralisation</b>").</p> <p>The Issuer will not hold Collateral Assets in respect of Secured Securities where it or one of its affiliates is the beneficial owner of such Secured Securities.</p> <p>Following the occurrence of one or more of the events of default applicable to the Secured Securities (which events of default include non-payment, non-performance or non-observance of BNPP B.V.'s or the Guarantor's obligations in respect of the Secured Securities; the insolvency or winding up of the Issuer or Guarantor) and delivery of a notice from a holder of Secured Securities to, among others, the Collateral Agent which is not disputed by BNPP B.V., the security over each Collateral Pool will be enforced by the Collateral Agent.</p>

Element	Title	
		<p>Following the realisation, or enforcement, of the security with respect to a Collateral Pool if the amount paid to holders of Secured Securities in respect of a series of Secured Securities is less than the amount payable in respect of such Secured Securities following such realisation or enforcement, such shortfall shall be irrevocably guaranteed by BNPP. Certain series of Secured Securities may provide that on enforcement of the security interest with respect to a Collateral Pool, the Collateral Assets and/or the value realised for any of the Collateral Assets which are sold in connection with the enforcement and delivery will be delivered to the relevant holders of Securities and no shortfall will be calculated.</p> <p>The amount payable in respect of the Secured Securities following the realisation or enforcement of the security with respect to a Collateral Pool will be, as specified in the applicable Final Terms, the Security Value Termination Amount or Security Value Realisation Proceeds.</p> <p><b><i>Taxation</i></b></p> <p>The Holder must pay all taxes, duties and/or expenses arising from the exercise and settlement of the Securities and/or the delivery or transfer of the Entitlement. The Issuer shall deduct from amounts payable or assets deliverable to Holders certain taxes and expenses not previously deducted from amounts paid or assets delivered to Holders, as the Calculation Agent determines are attributable to the Securities.</p> <p>Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "<b>Code</b>") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto, and (iii) any withholding or deduction required pursuant to Section 871(m) of the Code.</p> <p>In addition, in determining the amount of withholding or deduction required pursuant to Section 871(m) of the Code imposed with respect to any amounts to be paid on the Securities, the Issuer shall be entitled to withhold on any "dividend equivalent" payment (as defined for purposes of Section 871(m) of the Code) at a rate of 30 per cent.</p> <p><b><i>Negative pledge</i></b></p> <p>The terms of the Securities will not contain a negative pledge provision.</p> <p><b><i>Events of Default</i></b></p> <p>The terms of the Securities (save for the Secured Securities) will not contain events of default. The events of default relating to the Secured Securities are described in this Element C.8 under the heading "Secured Securities".</p>

Element	Title	
		<p><b><i>Meetings</i></b></p> <p>The terms of the Securities will contain provisions for calling meetings of holders of such Securities to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority.</p> <p>In the case of French law Securities, the applicable Final Terms may specify that Holders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a <i>masse</i> (the "<b><i>Masse</i></b>") or that Holders shall not be grouped in a <i>Masse</i>.</p> <p><b><i>Governing law</i></b></p> <p><i>In the case of English law Securities:</i></p> <p>The Securities, the English Law Agency Agreement (as amended or supplemented from time to time), the related Guarantee in respect of the Securities and any non-contractual obligations arising out of or in connection with the Securities, the English Law Agency Agreement (as amended or supplemented from time to time) and the Guarantee in respect of the Securities will be governed by and shall be construed in accordance with English law.</p> <p><i>In the case of French law Securities:</i></p> <p>The Securities, the French Law Agency Agreement (as amended or supplemented from time to time) and the BNPP French Law Guarantee are governed by, and construed in accordance with, French law, and any action or proceeding in relation thereto shall be submitted to the jurisdiction of the competent courts in Paris within the jurisdiction of the Paris Court of Appeal (<i>Cour d'Appel de Paris</i>). BNPP B.V. elects domicile at the registered office of BNP Paribas currently located at 16 boulevard des Italiens, 75009 Paris.</p>
C.9	Interest/Redemption	<p><b><i>Interest</i></b></p> <p>Securities do not bear or pay interest.</p> <p><b><i>Redemption</i></b></p> <p>The terms under which Securities may be exercised (including the exercise date and related settlement date and the amount payable or deliverable on exercise as well as any provisions relating to cancellation) will be determined by the Issuer at the time of issue of the relevant Securities, specified in the applicable Final Terms and summarised in the relevant issue specific summary annexed to the applicable Final Terms.</p> <p>Securities may be cancelled if the performance of the Issuer's obligations under the Securities has become illegal or by reason of force majeure or act of</p>

Element	Title	
		<p>state it becomes impossible or impracticable for the Issuer to perform its obligations under the Securities and/or any related hedging arrangements.</p> <p>In the case of Securities linked to an Underlying Reference, the Securities may also be cancelled following the occurrence of certain disruption, adjustment, extraordinary or other events as summarised in the relevant issue specific summary annexed to the applicable Final Terms. If Payout Switch Election or Automatic Payout Switch is specified in the applicable Final Terms, the amount payable or deliverable exercise may be switched from one amount payable or deliverable to another.</p> <p><b><i>Representative of Holders</i></b></p> <p>No representative of the Holders has been appointed by the Issuer except in respect of French law Securities if so specified in the applicable Final Terms.</p> <p>Please also refer to item C.8 above for rights attaching to the Securities.</p>
<b>C.10</b>	Derivative component in the interest payment	<p>The Securities do not bear or pay interest.</p> <p>Please also refer to Element C.9 above.</p>
<b>C.11</b>	Admission to Trading	<p>Securities issued under this Base Prospectus may be listed and admitted to trading on Euronext Paris, the Luxembourg Stock Exchange, the Italian Stock Exchange, the Euro MTF Market, Euronext Brussels, NASDAQ OMX Helsinki Ltd., the Nordic Growth Market or such other regulated market, organised market or other trading system specified in the applicable Final Terms, or may be issued on an unlisted basis.</p>
<b>C.15</b>	How the value of the investment in the derivative securities is affected by the value of the underlying assets	<p>The amount (if any) payable or assets deliverable on settlement of the Securities may be calculated by reference to certain specified Underlying Reference(s) specified in the applicable Final Terms.</p>
<b>C.16</b>	Maturity of the derivative securities	<p>The Exercise Date (in the case of European Style Warrants) or the Expiration Date (in the case of American Style Warrants) of the Securities will be specified in the applicable Final Terms.</p>
<b>C.17</b>	Settlement Procedure	<p>Securities may be cash or physically settled.</p>
<b>C.18</b>	Return on Derivative Securities	<p>See item C.8 above for the rights attaching to the Securities.</p> <p>Information on interest in relation to the Securities is set out in Element C.9 above</p> <p><b><i>Exercise and Settlement</i></b></p> <p>Each Security entitles its holder, upon due exercise, to receive from the Issuer on the Settlement Date:</p>



Element	Title	
		<p>(a) in the case of Cash Settled Warrants, a Cash Settlement Amount, being an amount equal to the Final Payout specified in the applicable Final Terms; or</p> <p>(b) in the case of Physically Settled Warrants, the Entitlement, being the quantity of the Relevant Assets specified in the applicable Final Terms equal to the Entitlement specified in the applicable Final Terms.</p> <p>Notwithstanding the above, if the Securities are Credit Securities, settlement shall be at the amount and/or by delivery of the assets specified in the Credit Security Conditions and the applicable Final Terms.</p> <p><b>Final Payouts</b></p> <p><b>Exchange Traded Securities (ETS) Final Payouts</b></p> <p>(1) Investment products</p> <p>(a) Yield Enhancement (Payouts 1200, 1240/4, 1250/1, 1250/4, 1250/6, 1250/7): fixed term products which have a fixed return if certain conditions (including a cap, knock-out and/or automatic early exercise features) relating to the Underlying Reference(s) are met. There may be total, partial or no capital protection.</p> <p>(b) Participation (Payouts 1300, 1320/1, 1320/3, 1399): fixed term products for which the return is linked to the performance of the Underlying Reference(s). The calculation of the return may be based on various mechanisms (including knock-in or knock-out features). There may be total, partial or no capital protection.</p> <p>(2) Leverage products</p> <p>(a) Leverage (Payouts 2100, 2110/1, 2110/2, 2110/3, 2110/4, 2200/1, 2200/2): fixed term products for which the return is linked, either to the linear or non-linear performance of the Underlying Reference. The calculation of the return may be based on various mechanisms (including knock-out features). There is no capital protection.</p> <p>(b) Constant Leverage (Payout 2300/1): fixed term products which have a return calculated by reference to a fixed daily leverage on the positive or negative performance of the Underlying Reference. There is no capital protection.</p> <p><b>Structured Products Securities (SPS) Final Payouts</b></p> <p>(a) Fixed Percentage Securities: fixed term products which have a return equal to a fixed percentage.</p> <p>(b) Reverse Convertible Securities (Reverse Convertible, Reverse Convertible Standard): fixed term products which have a return</p>

Element	Title	
		<p>linked to both the performance of the Underlying Reference(s) and a knock-in level. There is no capital protection.</p> <p>(c) Vanilla Securities (Call, Call Spread, Put, Put Spread, Digital, Knock-in Call, Knock-out Call): 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 knock-in or knock-out features). There may be total, partial or no capital protection.</p> <p>(d) Asian Securities (Asian, Asian Spread, Himalaya): fixed term products under which have a return linked to the performance of the Underlying Reference(s) determined through an averaging method. The return is calculated by reference to various mechanisms (including a cap or lock-in features). There may be total, partial or no capital protection.</p> <p>(e) Auto-callable Securities (Autocall, Autocall One Touch, Autocall Standard): fixed term products that include an automatic early exercise feature. The return is linked to the performance of the Underlying Reference(s). The return is calculated by reference to various mechanisms (including a knock-in feature). There may be total, partial or no capital protection.</p> <p>(f) Indexation Securities (Certi plus: Booster, Certi plus: Bonus, Certi plus: Leveraged, Certi plus: Twin Win, Certi plus: Super Sprinter, Certi plus: Generic, Certi plus: Generic Knock-in, Certi plus: Generic Knock-out): 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 knock-in or knock-out features). There may be total, partial or no capital protection.</p> <p>(g) Ratchet Securities: 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 can be capped or floored). There may be total, partial or no capital protection.</p> <p>(h) Sum Securities: 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 formulae. There may be total, partial or no capital protection.</p> <p>(i) Option Max Securities: 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 formulae. There may be total, partial or no capital protection.</p> <p>(j) Stellar Securities: fixed term products which have a return linked to</p>

Element	Title	
		<p>the performance of a basket of Underlying References. The return calculation, which is subject to a floor, is made up of the average returns of each Underlying Reference in the basket, each being subject to both a cap and a floor.</p> <p>(k) Driver Securities: fixed term products which have a return linked to the performance of a basket of Underlying References. The return calculation, which is subject to a floor, is determined by reference to the average return of the basket, where the performance of one or more of the best performing Underlying Reference(s) is set at a fixed level.</p> <p><b>Fixed Income (FI) Final Payouts</b></p> <p>(a) FI FX Vanilla Securities: 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 knock-in or knock-out features). There may be total, partial or no capital protection.</p> <p>(b) Digital Securities (Digital Floor, Digital Cap, Digital Plus): fixed term products which have a fixed or variable return depending on 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).</p> <p>(c) Inflation securities: fixed term products which have a return linked to the performance of the Underlying Reference(s).</p> <p><b>Entitlement Amounts</b></p> <p>Delivery of Worst-Performing Underlying</p> <p>Delivery of Best-Performing Underlying</p> <p>Delivery of the Underlying</p> <p>Parity Entitlement Amount</p> <p>If Delivery of Worst-Performing Underlying, Delivery of Best-Performing Underlying or Delivery of the Underlying is specified in the applicable Final Terms, 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 the Rounding and Residual Amount.</p> <p><b>Automatic Early Exercise</b></p> <p>If an Automatic Early Expiration Event, as specified in the applicable Final Terms, occurs, the Securities will be cancelled at an amount equal to the Automatic Early Expiration Payout Amount on the Automatic Early Expiration Date.</p>

Element	Title	
		<p>The Automatic Early Expiration Payout Amount will be equal to the Automatic Early Redemption Payout specified in the applicable Final Terms.</p> <p><b><i>Automatic Early Redemption Payout</i></b></p> <p>Automatic Early Redemption Payout 2200/1</p> <p>Automatic Early Redemption Payout 2200/2</p> <p>SPS Automatic Early Redemption Payout</p> <p>FI Underlying Automatic Early Redemption</p>
<b>C.19</b>	Final reference price of the Underlying	<p>Where the amount payable or assets deliverable on settlement of the Securities is determined by reference to one or more Underlying Reference, the final reference price of the Underlying Reference will be determined in accordance with the valuation mechanics set out in Element C.10 and Element C.18 above, as applicable.</p>
<b>C.20</b>	Underlying Reference	<p>One or more index, share, global depositary receipt ("<b>GDR</b>"), American depositary receipt ("<b>ADR</b>"), interest in an exchange traded fund, an exchange traded note, an exchange traded commodity or other exchange traded product (each an "exchange traded instrument"), debt instrument, debt futures or debt options contract, commodity and/or commodity index, inflation index, currency, currency futures contract, fund share or unit, fund index, futures contract, underlying interest or CMS rate and/or the credit of one or more reference entities.</p> <p>In respect of an Underlying Reference which is an index, the Final Terms may specify that Futures Price Valuation applies, in which case the value of the index will be determined by reference to futures or options contracts relating to such Index and the Conditions will contain adjustment provisions to take into account events in relation to the futures or options contracts.</p> <p>The Underlying Reference(s) in relation to a Tranche of Securities will be specified in the applicable Final Terms. The applicable Final Terms will specify where information on the Underlying Reference(s) can be obtained.</p>

## Section D – Risks

Element	Title	
D.2	Key risks regarding the Issuers and the Guarantor	<p>Prospective purchasers of Securities issued under this Base Prospectus should be experienced with respect to options and options transactions and should understand the risks of transactions involving the Securities. An investment in Securities presents certain risks that should be taken into account before any investment decision is made. Certain risks may affect the Issuer's ability to fulfil its obligations under the Securities or the Guarantor's ability to perform its obligations under the Guarantee (in the case of Securities issued by BNPP B.V.), some of which are beyond its control. In particular, the Issuer (and the Guarantor, in the case of Securities issued by BNPP B.V.), together with the BNPP Group, is exposed to the risks associated with its activities, as described below:</p> <p><b>Issuers</b></p> <p><b>BNPP</b></p> <p>There are certain factors that may affect the Issuer's ability to fulfil its obligations under the Securities issued under this Base Prospectus and, if applicable, the Guarantor's obligations under the Guarantees.</p> <p>As defined in BNPP's 2016 Registration Document (in English) and Annual Financial Report, eight main categories of risk are inherent in BNPP's activities:</p> <p>(1) <i>Credit Risk</i> - Credit risk is the consequence resulting from the likelihood that a borrower or counterparty will fail to meet its obligations in accordance with agreed terms. The probability of default and the expected recovery on the loan or receivable in the event of default are key components of the credit quality assessment;</p> <p>(2) <i>Securitisation in the Banking Book</i> - Securitisation means a transaction or scheme, whereby the credit risk associated with an exposure or pool of exposures is tranching, having the following characteristics:</p> <ul style="list-style-type: none"> <li>• payments made in the transaction or scheme are dependent upon the performance of the exposure or pool of exposures;</li> <li>• the subordination of tranches determines the distribution of losses during the life of the risk transfer.</li> </ul> <p>Any commitment (including derivatives and liquidity lines) granted to a securitisation operation must be treated as a securitisation exposure. Most of these commitments are held in the prudential banking book;</p> <p>(3) <i>Counterparty Credit Risk</i> - Counterparty credit risk is the translation of the credit risk embedded in financial transactions, investments</p>

Element	Title	
		<p>and/or settlement transactions between counterparties. Those transactions include bilateral contracts such as over-the-counter ("OTC") derivatives contracts as well as contracts settled through clearing houses. The amount of this risk may vary over time in line with changing market parameters which then impacts the replacement value of the relevant transactions.</p> <p>Counterparty risk lies in the event that a counterparty defaults on its obligations to pay the Bank the full present value of the flows relating to a transaction or a portfolio for which the Bank is a net receiver. Counterparty credit risk is also linked to the replacement cost of a derivative or portfolio in the event of counterparty default. Hence, it can be seen as a market risk in case of default or a contingent risk. Counterparty risk arises both from both bilateral activities of BNP Paribas with clients and clearing activities through a clearing house or an external clearer;</p> <p>(4) <i>Market Risk</i> - Market risk is the risk of incurring a loss of value due to adverse trends in market prices or parameters, whether directly observable or not.</p> <p>Observable market parameters include, but are not limited to, exchange rates, prices of securities and commodities (whether listed or obtained by reference to a similar asset), prices of derivatives, and other parameters that can be directly inferred from them, such as interest rates, credit spreads, volatilities and implied correlations or other similar parameters.</p> <p>Non-observable factors are those based on working assumptions such as parameters contained in models or based on statistical or economic analyses, non-ascertainable in the market.</p> <p>In fixed income trading books, credit instruments are valued on the basis of bond yields and credit spreads, which represent market parameters in the same way as interest rates or foreign exchange rates. The credit risk arising on the issuer of the debt instrument is therefore a component of market risk known as issuer risk.</p> <p>Liquidity is an important component of market risk. In times of limited or no liquidity, instruments or goods may not be tradable or may not be tradable at their estimated value. This may arise, for example, due to low transaction volumes, legal restrictions or a strong imbalance between demand and supply for certain assets.</p> <p>The market risk related to banking activities encompasses the risk of loss on equity holdings on the one hand, and the interest rate and foreign exchange risks stemming from banking intermediation activities on the other hand;</p> <p>(5) <i>Liquidity Risk</i> - Liquidity risk is the risk that BNPP will not be able</p>

Element	Title	
		<p>to honour its commitments or unwind or settle a position due to the market environment or idiosyncratic factors (i.e. specific to BNP Paribas), within a given timeframe and at a reasonable cost.</p> <p>Liquidity risk reflects the risk of the BNPP Group being unable to fulfil current or future foreseen or unforeseen cash or collateral requirements, across all time horizons, from the short to the long term.</p> <p>This risk may stem from the reduction in funding sources, draw down of funding commitments, a reduction in the liquidity of certain assets, or an increase in cash or collateral margin calls. It may be related to the bank itself (reputation risk) or to external factors (risks in some markets).</p> <p>The BNPP Group's liquidity risk is managed under a global liquidity policy approved by the BNPP Group's ALM Committee. This policy is based on management principles designed to apply both in normal conditions and in a liquidity crisis. The BNPP Group's liquidity position is assessed on the basis of internal indicators and regulatory ratios;</p> <p>(6) <i>Operational Risk</i> - Operational risk is the risk of incurring a loss due to inadequate or failed internal processes, or due to external events, whether deliberate, accidental or natural occurrences. Management of operational risk is based on an analysis of the "cause – event – effect" chain.</p> <p>Internal processes giving rise to operational risk may involve employees and/or IT systems. External events include, but are not limited to floods, fire, earthquakes and terrorist attacks. Credit or market events such as default or fluctuations in value do not fall within the scope of operational risk.</p> <p>Operational risk encompasses fraud, human resources risks, legal risks, non-compliance risks, tax risks, information system risks, conduct risks (risks related to the provision of inappropriate financial services), risk related to failures in operating processes, including loan procedures or model risks, as well as any potential financial implications resulting from the management of reputation risks;</p> <p>(7) <i>Compliance and Reputation Risk</i> - Compliance risk is defined in French regulations as the risk of legal, administrative or disciplinary sanctions, of significant financial loss or reputational damage that a bank may suffer as a result of failure to comply with national or European laws and regulations, codes of conduct and standards of good practice applicable to banking and financial activities, or instructions given by an executive body, particularly in application of guidelines issued by a supervisory body.</p>

Element	Title	
		<p>By definition, this risk is a sub-category of operational risk. However, as certain implications of compliance risk involve more than a purely financial loss and may actually damage the institution's reputation, BNPP treats compliance risk separately.</p> <p>Reputation risk is the risk of damaging the trust placed in a corporation by its customers, counterparties, suppliers, employees, shareholders, supervisors and any other stakeholder whose trust is an essential condition for the corporation to carry out its day-to-day operations.</p> <p>Reputation risk is primarily contingent on all the other risks borne by BNPP;</p> <p>(8) <i>Insurance Risks</i> - BNP Paribas Cardif is exposed to the following risks:</p> <ul style="list-style-type: none"> <li>• market risk, risk of a financial loss arising from adverse movements of financial markets. These adverse movements are notably reflected in prices (foreign exchange rates, bond prices, equity and commodity prices, derivatives prices, real estate prices...) and derived from fluctuations in interest rates, credit spreads, volatility and correlation;</li> <li>• credit risk, risk of loss resulting from fluctuations in the credit standing of issuers of securities, counterparties and any debtors to which insurance and reinsurance undertakings are exposed. Among the debtors, risks related to financial instruments (including the banks in which the Company holds deposits) and risks related to receivables generated by the underwriting activities (premium collection, reinsurance recovering...) are distinguished into two categories: "Asset Credit Risk" and "Liabilities Credit Risk";</li> <li>• underwriting risk is the risk of a financial loss caused by a sudden, unexpected increase in insurance claims. Depending on the type of insurance business (life, non-life), this risk may be statistical, macroeconomic or behavioural, or may be related to public health issues or disasters;</li> <li>• operational risk is the risk of loss resulting from the inadequacy or failure of internal processes, IT failures or deliberate external events, whether accidental or natural. The external events mentioned in this definition include those of human or natural origin.</li> </ul> <p>(a) Difficult market and economic conditions have had and may continue to have a material adverse effect on the operating</p>



Element	Title	
		<p>environment for financial institutions and hence on BNPP's financial condition, results of operations and cost of risk.</p> <p>(b) The United Kingdom's referendum to leave the European Union may lead to significant uncertainty, volatility and disruption in European and broader financial and economic markets and hence may adversely affect BNPP's operating environment.</p> <p>(c) Due to the geographic scope of its activities, BNPP may be vulnerable to country or regional-specific political, macroeconomic and financial environments or circumstances.</p> <p>(d) BNPP's access to and cost of funding could be adversely affected by a resurgence of financial crises, worsening economic conditions, rating downgrades, increases in credit spreads or other factors.</p> <p>(e) Significant interest rate changes could adversely affect BNPP's revenues or profitability.</p> <p>(f) The prolonged low interest rate environment carries inherent systemic risks, and an exit from such environment also carries risks.</p> <p>(g) The soundness and conduct of other financial institutions and market participants could adversely affect BNPP.</p> <p>(h) BNPP may incur significant losses on its trading and investment activities due to market fluctuations and volatility.</p> <p>(i) BNPP may generate lower revenues from brokerage and other commission and fee-based businesses during market downturns.</p> <p>(j) Protracted market declines can reduce liquidity in the markets, making it harder to sell assets and possibly leading to material losses.</p> <p>(k) Laws and regulations adopted in recent years, particularly in response to the global financial crisis may materially impact BNPP and the financial and economic environment in which it operates.</p> <p>(l) BNPP is subject to extensive and evolving regulatory regimes in the jurisdictions in which it operates.</p> <p>(m) BNPP may incur substantial fines and other administrative and criminal penalties for non-compliance with applicable laws and regulations, and may also incur losses in related (or unrelated) litigation with private parties.</p> <p>(n) There are risks related to the implementation of BNPP's strategic plans.</p> <p>(o) BNPP may experience difficulties integrating acquired companies and may be unable to realize the benefits expected from its</p>

Element	Title	
		<p>acquisitions.</p> <p>(p) Intense competition by banking and non-banking operators could adversely affect BNPP's revenues and profitability.</p> <p>(q) A substantial increase in new provisions or a shortfall in the level of previously recorded provisions could adversely affect BNPP's results of operations and financial condition.</p> <p>(r) BNPP's risk management policies, procedures and methods may leave it exposed to unidentified or unanticipated risks, which could lead to material losses.</p> <p>(s) BNPP's hedging strategies may not prevent losses.</p> <p>(t) Adjustments to the carrying value of BNPP's securities and derivatives portfolios and BNPP's own debt could have an impact on its net income and shareholders' equity.</p> <p>(u) The expected changes in accounting principles relating to financial instruments may have an impact on BNPP's balance sheet and regulatory capital ratios and result in additional costs.</p> <p>(v) BNPP's competitive position could be harmed if its reputation is damaged.</p> <p>(w) An interruption in or a breach of BNPP's information systems may result in material losses of client or customer information, damage to BNPP's reputation and lead to financial losses.</p> <p>(x) Unforeseen external events may disrupt BNPP's operations and cause substantial losses and additional costs.</p> <p><b>BNPP B.V.</b></p> <p>The main risks described above in relation to BNPP also represent the main risks for BNPP B.V., either as an individual entity or a company in the BNPP Group.</p> <p><i>Dependency Risk</i></p> <p>BNPP B.V. is an operating company. The assets of BNPP B.V. consist of the obligations of other BNPP Group entities. The ability of BNPP B.V. to meet its own obligations will depend on the ability of other BNPP Group entities to fulfil their obligations. In respect of securities it issues, the ability of BNPP B.V. to meet its obligations under such securities depends on the receipt by it of payments under certain hedging agreements that it enters with other BNPP Group entities. Consequently, Holders of BNPP B.V. securities will, subject to the provisions of the Guarantee issued by BNPP, be exposed to the ability of BNP Group entities to perform their obligations under such hedging agreements.</p>

Element	Title	
		<p><i>Market Risk</i></p> <p>BNPP B.V. takes on exposure to market risks arising from positions in interest rates, currency exchange rates, commodities and equity products, all of which are exposed to general and specific market movements. However, these risks are hedged by option and swap agreements and therefore these risks are mitigated in principle.</p> <p><i>Credit Risk</i></p> <p>BNPP B.V. has significant concentration of credit risks as all OTC contracts are acquired from its parent company and other BNPP Group entities. Taking into consideration the objective and activities of BNPP B.V. and the fact that its parent company is under supervision of the European Central Bank and the <i>Autorité de Contrôle Prudentiel et de Résolution</i> management considers these risks as acceptable. The long term senior debt of BNP Paribas is rated (A) by Standard &amp; Poor's and (A1) by Moody's.</p> <p><i>Liquidity Risk</i></p> <p>BNPP B.V. has significant liquidity risk exposure. To mitigate this exposure, BNPP B.V. entered into netting agreements with its parent company and other BNPP Group entities.</p> <p><b>Guarantor</b></p> <p><b>BNPP</b></p> <p>See above in the case of BNPP.</p>
<b>D.3</b>	Key risks regarding the Securities	<p>In addition to the risks (including the risk of default) that may affect the Issuer's ability to fulfil its obligations under the Securities or the Guarantor's ability to perform its obligations under the Guarantee, there are certain factors which are material for the purposes of assessing the risks associated with Securities issued under this Base Prospectus, including:</p> <p><i>Market Risks</i></p> <ul style="list-style-type: none"> <li>(i) the Securities (other than Secured Securities) are unsecured obligations;</li> <li>(ii) 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;</li> <li>(iii) Bull and Bear Warrants (ETS payout 2300/1) are designed for short term or intraday trading only because they are valued on the basis of their compounded daily performance;</li> <li>(iv) the trading price of the Securities is affected by a number of factors including, but not limited to, (in respect of Securities linked to an</li> </ul>

Element	Title	
		<p>Underlying Reference) the price of the relevant Underlying Reference(s), time to expiration and volatility and such factors mean that the trading price of the Securities may be below the Cash Settlement Amount or value of the Entitlement;</p> <p>(v) exposure to the Underlying Reference in many cases will be achieved by the relevant Issuer entering into hedging arrangements and, in respect of Securities linked to an Underlying Reference, potential investors are exposed to the performance of these hedging arrangements and events that may affect the hedging arrangements and consequently the occurrence of any of these events may affect the value of the Securities;</p> <p>(vi) the collateral associated with one or more series of Secured Securities may be insufficient to remove a Holder's credit risk on the Issuer;</p> <p>(vii) 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. There are also specific risks in relation to dynamic securities which are intrinsically more complex making their evaluation difficult in terms of risk at the time of the purchase as well as thereafter;</p> <p><i>Holder Risks</i></p> <p>(viii) the Securities may have a minimum trading amount and if, following the transfer of any Securities, a Holder holds fewer Securities than the specified minimum trading amount, such Holder will not be permitted to transfer their remaining Securities prior to expiration without first purchasing enough additional Securities in order to hold the minimum trading amount;</p> <p>(ix) limitations on the exercise of Securities may mean that a Holder is not able to exercise all the Securities that it desires to exercise on a particular date where the Issuer has the option to limit the number of Securities exercisable on any date or may be required to sell or purchase Warrants (incurring transaction costs in each case) in order to realise its investment where a minimum number of Securities must be exercised;</p> <p>(x) changes in the Cash Settlement Amount during the time lag between</p>

Element	Title	
		<p>a Holder giving instructions to exercise and determination of the Cash Settlement Amount could decrease the Cash Settlement Amount;</p> <p>(xi) the meetings of Holders provisions permit defined majorities to bind all Holders;</p> <p>(xii) in certain circumstances Holders may lose the entire value of their investment;</p> <p><i>Issuer/Guarantor Risks</i></p> <p>(xiii) if so indicated in the Final Terms the Issuer may elect to vary the settlement of the Securities;</p> <p>(xiv) a reduction in the rating, if any, accorded to outstanding debt securities of the Issuer or Guarantor (if applicable) by a credit rating agency could result in a reduction in the trading value of the Securities;</p> <p>(xv) certain conflicts of interest may arise (see Element E.4 below);</p> <p>(xvi) 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 principal and/or interest may occur at a different time than expected and be made in USD and the market price of such Securities may be volatile;</p> <p><i>Legal Risks</i></p> <p>(xvii) 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;</p> <p>(xviii) the occurrence of an additional disruption event or optional additional disruption event may lead to an adjustment to the Securities or cancellation or may result in the amount payable on settlement being different from the amount expected to be paid on 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;</p> <p>(xix) 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;</p>

Element	Title	
		<p>(xx) expenses and taxation may be payable in respect of the Securities;</p> <p>(xxi) the Securities may be cancelled in the case of illegality or impracticability and such cancellation may result in an investor not realising a return on an investment in the Securities;</p> <p>(xxii) any judicial decision or change to an administrative practice or change to English law or French law, as applicable, after the date of the Base Prospectus could materially adversely impact the value of any Securities affected by it;</p> <p>(xxiii) in certain circumstances at the commencement of an offer period in respect of Securities but prior to the issue date, certain specific information (specifically any of the issue price, the Gearing applied to the final payout, the Gearing Up applied to the final payout, (in the case of Autocall Securities, Autocall One Touch Securities or Autocall Standard Securities) the FR Exit Rate component of the final payout (which will be payable if certain conditions are met, as set out in the Payout Conditions), the AER Exit Rate used if an Automatic Early Expiration Event occurs, the Bonus Coupon component of the final payout (in the case of Vanilla Digital Securities), the Up Cap Percentage component of the final payout (in the case of Certi-Plus: Generic Securities, Certi-Plus Generic Knock-in Securities and Certi-Plus: Generic Knock-out Securities), any Constant Percentage (being any of Constant Percentage, Constant Percentage 1, Constant Percentage 2, Constant Percentage 3 or Constant Percentage 4) component of the final payout (which will be payable if certain conditions are met, as set out in the Payout Conditions) and/or the Knock-in Level and/or Knock-out Level used to ascertain whether a Knock-in Event or Knock-out Event, as applicable, has occurred) may not be known but the Final Terms will specify an indicative range. In these circumstances, prospective investors will be required to make their decision to purchase Securities on the basis of that range prior to the actual issue price, Gearing, Gearing Up, FR Exit Rate, AER Exit Rate, Bonus Coupon, Up Cap Percentage, any Constant Percentage, Knock-in Level and/or Knock-out Level, as applicable, which will apply to the Securities being notified to them. Notice of the actual rate, level or percentage, as applicable, will be published in the same manner as the publication of the Final Terms;</p> <p><i>Secondary Market Risks</i></p> <p>(xxiv) the only means through which a Holder can realise value from the Security prior to its Exercise Date is to sell it at its then market price in an available secondary market and that there may be no secondary market for the Securities (which could mean that an investor has to exercise or wait until exercise of the Securities to realise a greater</p>

Element	Title	
		<p>value than its trading value);</p> <p>(xxv) 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).</p> <p>(xxvi) For certain issues of Securities, BNP Paribas Arbitrage S.N.C. is required to act as market-maker. In those circumstances, BNP Paribas Arbitrage S.N.C. 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 BNP Paribas Arbitrage S.N.C. 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.</p> <p><i>Risks relating to Underlying Reference Asset(s)</i></p> <p>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:</p> <p>(i) 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;</p> <p>(ii) in the case of Share Securities, exposure to one or more share, similar market risks to a direct equity investment, global depositary receipt ("<b>GDR</b>") or American depositary receipt ("<b>ADR</b>"), 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;</p> <p>(iii) 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;</p>

Element	Title	
		<p>(iv) 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 "<b>exchange traded instrument</b>"), 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;</p> <p>(v) in the case of Inflation Index Securities, exposure to an inflation index and adjustments;</p> <p>(vi) in the case of Currency Securities, exposure to a currency, similar market risks to a direct currency investment and market disruption;</p> <p>(vii) in the case of Fund Securities, exposure to a fund share or unit or a fund index, 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) or Fund Index(ices), extraordinary fund events which may have an adverse effect on the value or liquidity of the Securities;</p> <p>(viii) 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;</p> <p>(ix) in the case of Credit Securities, exposure to the credit of one or more reference entities;</p> <p>(x) in the case of Underlying Interest Rate Securities, exposure to an underlying interest or CMS rate;</p> <p>(xi) in the case of Debt Securities, exposure to a debt instrument, similar market risks to a direct debt instrument investment and market disruption;</p> <p>(xii) 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 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), similar market risks to a direct investment in such futures or options contract and market disruption; and</p> <p>(xiii) that unless otherwise specified in the applicable Final Terms the Issuer will not provide post-issuance information in relation to the</p>



Element	Title	
		<p>Underlying Reference.</p> <p><i>Risks relating to specific types of products</i></p> <p>(a) The following risks are associated with ETS Products:</p> <p>(i) Yield Enhancement Products</p> <p>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 expiration features apply.</p> <p>(ii) Participation Products</p> <p>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 expiration features apply.</p> <p>(iii) Leverage Products</p> <p>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 expiration 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 exercise (in the case of European Style Warrants). The effect of leverage on the Securities may be either positive or negative.</p> <p>(iv) Constant Leverage Products</p> <p>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 exercise feature. Constant Leverage Products 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).</p> <p>(b) The following risks are associated with SPS Products:</p> <p>(i) Fixed Percentage Products</p> <p>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.</p> <p>(ii) Reverse Convertible Products</p>

Element	Title	
		<p>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 event occurs.</p> <p>(iii) Vanilla Products</p> <p>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.</p> <p>(iv) Asian Products</p> <p>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, apply.</p> <p>(v) Auto-callable Products</p> <p>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. Auto-callable Products include automatic early exercise mechanisms. Depending on the applicable formula, if an automatic early expiration event occurs investors may be exposed to a partial loss of their investment.</p> <p>(vi) Indexation Products</p> <p>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 expiration features apply. Depending on the applicable formula, if an automatic early expiration event occurs investors may be exposed to a partial loss of their investment.</p> <p>(vii) Ratchet Products</p> <p>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).</p> <p>(viii) Sum Products</p> <p>Investors may be exposed to a partial or total loss of their</p>

Element	Title	
		<p>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 formulae.</p> <p>(ix) Option Max Products</p> <p>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 formulae.</p> <p>(x) Stellar Products</p> <p>Investors may be exposed to a partial loss of their investment. The return on the Securities depends on the performance of a basket of Underlying References and is calculated based on the average returns of each Underlying Reference in the basket (which can be capped and/or floored).</p> <p>(xi) Driver Products</p> <p>Investors may be exposed to a partial loss of their investment. The return on the Securities depends on the performance of a basket of Underlying References. The return is determined by reference to the average return of the basket, where the performance of one or more of the best performing Underlying Reference(s) is set at a fixed level.</p> <p>(c) The following risks are associated with FI Products:</p> <p>(i) Vanilla Products</p> <p>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.</p> <p>(ii) Digital Products</p> <p>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).</p> <p>(iii) Inflation Products</p> <p>Inflation Products are capital protected. The return on the Securities depends on the performance of the Underlying Reference(s).</p> <p>In respect of an issue of Securities, further risks relevant to such Securities</p>

Element	Title	
		which are set out in the "Risk Factors" section of the Base Prospectus may be summarised in the relevant issue specific summary annexed to the applicable Final Terms.
<b>D.6</b>	Risk warning	<p>See Element D.3 above.</p> <p>In the event of the insolvency of an Issuer or if it is otherwise unable or unwilling to repay the Securities when repayment falls due, an investor may lose all or part of his investment in the Securities. If the Securities are guaranteed and the Guarantor is unable or unwilling to meet its obligations under the Guarantee when due, an investor may lose all or part of his investment in the Securities. In addition, in the case of Securities linked to an Underlying Reference, investors may lose all or part of their investment in the Securities as a result of the terms and conditions of those Securities.</p>

### Section E – Offer

Element	Title	
<b>E.2b</b>	Reasons for the offer and use of proceeds	The net proceeds from the issue of the Securities will become part of the general funds of the Issuer. Such proceeds may be used to maintain positions in options or futures contracts or other hedging instruments.
<b>E.3</b>	Terms and conditions of the offer	<p>Under this Base Prospectus, the Securities may be offered to the public in a Non-Exempt Offer in Belgium, Denmark, Finland, France, Italy, Luxembourg, Norway, Portugal, Spain and Sweden.</p> <p>The terms and conditions of each offer of Securities will be determined by agreement between the Issuer and the relevant Managers at the time of issue and specified in the applicable Final Terms. An Investor intending to acquire or acquiring any Securities in a Non-exempt 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 and settlement arrangements.</p>
<b>E.4</b>	Interest of natural and legal persons involved in the issue/offer	<p>The relevant Managers may be paid fees in relation to any issue of Securities under this Base Prospectus. Any such Manager and its affiliates may also have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and the Guarantor (if any) and their affiliates in the ordinary course of business.</p> <p>Various entities within the BNPP Group (including the Issuers and Guarantors) and Affiliates may undertake different roles in connection with the Securities, including Issuer of the Securities, Calculation Agent of the Securities, issuer, sponsor or calculation agent of the Underlying Reference(s) and may also engage in trading activities (including hedging activities) relating to the Underlying Reference and other instruments or derivative</p>

Element	Title	
		<p>products based on or relating to the Underlying Reference which may give rise to potential conflicts of interest.</p> <p>The Calculation Agent or Collateral Calculation Agent may be an Affiliate of the relevant Issuer or Guarantor (if any) and potential conflicts of interest may exist between the Calculation Agent and holders of the Securities.</p> <p>The Issuers, Guarantor and their Affiliates may also issue other derivative instruments in respect of the Underlying Reference and may act as underwriter in connection with future offerings of shares or other securities relating to an issue of Securities or may act as financial adviser to certain companies or companies whose shares or other securities are included in a basket or in a commercial banking capacity for such companies.</p> <p>In respect of ETI Securities and Fund Securities, 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 and may be paid for the provision of such services. This business could present certain conflicts of interest.</p>
<b>E.7</b>	Expenses charged to the investor by the Issuer	It is not anticipated that the Issuer will charge any expenses to investors in connection with any issue of Securities under this Base Prospectus.

## PROGRAMME SUMMARY IN RELATION TO THIS BASE PROSPECTUS (IN FRENCH)

### RÉSUMÉ DU PROGRAMME

*Les résumés sont établis sur la base des éléments d'informations (ci-après les "Eléments") présentés dans les sections A à E (A.1 à E.7) ci-dessous. Le présent résumé contient tous les Eléments requis pour ce type de Titres, d'Emetteurs et de Garants. Dans la mesure où certains Eléments ne sont pas requis, des écarts dans la numérotation des Eléments présentés peuvent être constatés. Par ailleurs, pour certains des Eléments requis pour ce type de Titres, d'Emetteur et de Garant(s), il est possible qu'aucune information pertinente ne puisse être fournie au titre de cet Elément. Dans ce cas, une brève description de l'Elément concerné est présentée dans le Résumé et est accompagnée de la mention « Sans objet ».*

#### Section A - Introduction et avertissements

Elément	Description de l'Elément	
A.1	Avertissement général selon lequel le résumé doit être lu comme une introduction et disposition relatives aux actions en justice	<ul style="list-style-type: none"><li>Le présent résumé doit être lu comme une introduction au Prospectus de Base et aux Conditions Définitives applicables. Dans ce résumé, sauf précision contraire et à l'exception de l'utilisation qui en est faite au premier paragraphe de l'Elément D.3, "Prospectus de Base" signifie le Prospectus de Base de BNPP B.V. et BNPP en date du 7 juin 2017 tel que modifié ou complété à tout moment par le Programme d'Obligations, Warrants et Certificats de BNPP B.V., BNPP et BNP Paribas Fortis Funding. Au premier paragraphe de l'Elément D.3, "Prospectus de Base" signifie le Prospectus de Base de BNPP B.V. et BNPP en date du 7 juin 2017 du Programme d'Obligations, Warrants et Certificats de BNPP B.V., BNPP et BNP Paribas Fortis Funding.</li><li>Toute décision d'investir dans les Titres concernés doit être fondée sur un examen exhaustif du Prospectus de Base dans son ensemble, y compris tous documents incorporés par référence et les Conditions Définitives applicables.</li><li>Lorsqu'une action concernant l'information contenue dans le Prospectus de Base et les Conditions Définitives applicables est intentée devant un tribunal d'un Etat Membre de l'Espace Economique Européen, l'investisseur plaignant peut, selon la législation nationale de l'Etat Membre où l'action est intentée, avoir à supporter les frais de traduction de ce Prospectus de Base et des Conditions Définitives applicables avant le début de la procédure judiciaire.</li><li>Aucune responsabilité civile ne sera recherchée auprès de l'Emetteur ou du Garant (le cas échéant) dans cet Etat Membre sur la seule base du présent résumé, y compris sa traduction, à moins que le contenu du résumé ne soit jugé trompeur, inexact ou contradictoire par rapport aux autres</li></ul>

Elément	Description de l'Elément	
		<p><b>parties du Prospectus de Base et des Conditions Définitives applicables, ou, une fois les dispositions de la Directive 2010/73/UE transposées dans cet Etat Membre, à moins qu'il ne fournisse pas, lu en combinaison avec les autres parties du Prospectus de Base et des Conditions Définitives applicables, les informations clés (telles que définies à l'Article 2.1(s) de la Directive Prospectus) permettant d'aider les investisseurs lorsqu'ils envisagent d'investir dans les Titres.</b></p>
A.2	Consentement à l'utilisation du Prospectus de Base, période de validité et autres conditions y afférentes	<p>Certaines émissions de Titres d'une valeur nominale inférieur(e) à 100.000 EUR (ou l'équivalent dans toute autre devise) peuvent être offertes dans des circonstances où il n'existe aucune exemption à l'obligation de publier un prospectus en vertu de la Directive Prospectus. Une telle offre est désignée comme une <b>"Offre Non-exemptée"</b>. Sous réserve des conditions mentionnées ci-dessous, l'Emetteur consent à l'utilisation du présent Prospectus de Base pour les besoins de la présentation d'une Offre Non-exemptée de Titres par les Agents Placeurs, tout intermédiaire désigné comme un Offreur Autorisé dans les Conditions Définitives applicables et tout intermédiaire financier dont le nom est publié sur le site Internet de BNPP (<a href="https://rates-globalmarkets.bnpparibas.com/gm/Public/LegalDocs.aspx">https://rates-globalmarkets.bnpparibas.com/gm/Public/LegalDocs.aspx</a>) qui est identifié comme un Offreur Autorisé au titre de l'Offre Non-exemptée concernée ainsi que (si « Consentement Général » est spécifié dans les Conditions Définitives applicables) tout intermédiaire financier qui est habilité à faire de telles offres en vertu de la législation applicable transposant la Directive concernant les marchés d'instruments financiers (Directive 2004/39/CE), à condition que l'intermédiaire financier en question publie sur son site Internet la déclaration suivante (les passages entre crochets devant être dûment complétés par les informations pertinentes) :</p> <p><i>"Nous, [indiquer la dénomination de l'intermédiaire financier], nous référons à l'offre des [indiquer l'intitulé des Titres concernés] (les <b>"Titres"</b>) décrits dans les Conditions Définitives en date du [indiquer la date] (les <b>"Conditions Définitives"</b>) publiées par [ ] (l'<b>"Emetteur"</b>). En considération de l'offre faite par l'Emetteur de consentir à notre utilisation du Prospectus de Base (tel que défini dans les Conditions Définitives) en relation avec l'offre des Titres dans les Juridictions d'Offre Non-exemptée spécifiées dans les Conditions Définitives applicables durant la Période d'Offre et sous réserve des autres conditions auxquelles ce consentement est soumis, telles qu'elles sont chacune définies dans le Prospectus de Base, nous acceptons par les présentes l'offre faite par l'Emetteur conformément aux Conditions de l'Offreur Autorisé (tel que précisé dans le Prospectus de Base) et confirmons que nous utilisons le Prospectus de Base en conséquence."</i></p> <p><i>Période d'Offre</i> : Le consentement de l'Emetteur visé ci-dessus est donné pour des Offres Non-exemptées de Titres pendant la Période d'Offre spécifiée dans les Conditions Définitives applicables.</p> <p><i>Conditions du consentement</i> : Les conditions du consentement de l'Emetteur</p>

Elément	Description de l'Elément	
		<p>(outre les conditions visées ci-dessus) sont telles que ce consentement (a) n'est valable que pendant la Période d'Offre spécifiée dans les Conditions Définitives applicables ; et (b) ne porte que sur l'utilisation de ce Prospectus de Base pour faire des Offres Non-exemptées de la Tranche de Titres concernée dans les Juridictions d'Offre Non-exemptée spécifiées dans les Conditions Définitives applicables.</p> <p><b>UN INVESTISSEUR QUI A L'INTENTION D'ACHETER OU QUI ACHETE DES TITRES DANS UNE OFFRE NON-EXEMPTÉE AUPRÈS D'UN OFFREUR AUTORISÉ LE FERA, ET LES OFFRES ET VENTES DE TELS TITRES À UN INVESTISSEUR PAR CET OFFREUR AUTORISÉ SE FERONT, CONFORMÉMENT AUX TERMES ET CONDITIONS DE L'OFFRE EN PLACE ENTRE CET OFFREUR AUTORISÉ ET L'INVESTISSEUR EN QUESTION, NOTAMMENT EN CE QUI CONCERNE LES ARRANGEMENTS CONCERNANT LE PRIX, LES ALLOCATIONS, LES DEPENSES ET LE RÈGLEMENT. LES INFORMATIONS ADEQUATES SERONT ADRESSEES PAR L'OFFREUR AUTORISÉ AU MOMENT DE CETTE OFFRE.</b></p>

#### Section B - Emetteurs et Garant

Elément	Description de l'Elément	
<b>B.1</b>	Raison sociale et nom commercial de l'Emetteur	Les Titres peuvent être émis en vertu de ce Prospectus de Base en vertu du Programme relatif aux Obligations, Warrants et Certificats par BNP Paribas Issuance B.V. (anciennement BNP Paribas Arbitrage Issuance B.V.) (" <b>BNPP B.V.</b> ") ou BNP Paribas (" <b>BNPP</b> " ou la " <b>Banque</b> ", et avec BNPP B.V., chacun un " <b>Emetteur</b> ").
<b>B.2</b>	Domicile/ forme juridique/ législation/ pays de constitution	<ul style="list-style-type: none"> <li>BNPP B.V. a été constitué aux Pays-Bas sous la forme d'une société non cotée en bourse à responsabilité limitée de droit néerlandais, et son siège social est situé Herengracht 595, 1017 BV Amsterdam, Pays-Bas ; et</li> <li>BNPP a été constitué en France sous la forme d'une société anonyme de droit français et agréé en qualité de banque, dont le siège social est situé 16, boulevard des Italiens – 75009 Paris, France.</li> </ul>
<b>B.4b</b>	Informations sur les tendances	<p><i>Concernant BNPP :</i></p> <p><b>Conditions macroéconomiques</b></p> <p>L'environnement macroéconomique et de marché affecte les résultats de BNPP. Compte tenu de la nature de son activité, BNPP est particulièrement sensible aux conditions macroéconomiques et de marché en Europe, qui ont connu des perturbations au cours des dernières années.</p>



Elément	Description de l'Elément	
		<p>En 2016, la croissance mondiale s'est stabilisée légèrement au-dessus de 3 %, malgré un tassement dans les pays avancés. Trois transitions importantes continuent d'influer sur les perspectives mondiales : la diminution de la croissance économique en Chine, les fluctuations des prix de l'énergie qui ont remonté en 2016 et un deuxième durcissement de la politique monétaire aux États-Unis dans le contexte d'une reprise interne résiliente. Il est à noter que les banques centrales de plusieurs grands pays développés continuent par ailleurs de maintenir des politiques monétaires accommodantes. Les prévisions économiques du FMI pour l'année 2017 tablent sur une reprise de l'activité mondiale, une croissance de la zone euro et du Japon qui ne devrait pas montrer d'amélioration notable, et un ralentissement du Royaume-Uni.</p> <p>Dans ce contexte, on peut souligner les deux risques suivants :</p> <p><i>Instabilité financière liée à la vulnérabilité des pays émergents</i></p> <p>Bien que l'exposition du Groupe BNP Paribas dans les pays émergents soit limitée, la vulnérabilité de ces économies peut conduire à des perturbations du système financier mondial qui toucheraient le Groupe BNP Paribas et pourraient affecter ses résultats.</p> <p>On observe en 2016, dans les économies de nombreux pays émergents, une augmentation globale des engagements en devises de ces pays alors que les niveaux d'endettement (en devises comme en monnaie locale) sont déjà élevés. La hausse de cet endettement est surtout le fait du secteur privé. Par ailleurs, les perspectives d'un relèvement progressif des taux directeurs aux États-Unis (première hausse décidée par la Réserve Fédérale en décembre 2015, deuxième en décembre 2016), ainsi qu'une volatilité financière accrue liée aux inquiétudes autour de la croissance et de la montée du risque géo politique dans les pays émergents, ont contribué à un durcissement des conditions financières extérieures, à des sorties de capitaux, à de nouvelles dépréciations monétaires dans beaucoup de pays émergents et à une augmentation des risques pour les banques. Ceci pourrait conduire à de nouvelles dégradations de notations souveraines.</p> <p>Il existe toujours des risques de perturbations sur les marchés mondiaux (hausse des primes de risque, érosion de la confiance, déclin de la croissance, report ou ralentissement de la normalisation des politiques monétaires, baisse de la liquidité des marchés, problème de valorisation des actifs, baisse de l'offre de crédit et désendettement désordonné) qui pourraient affecter l'ensemble des établissements bancaires.</p> <p><i>Risques systémiques liés à la conjoncture et à la liquidité de marché</i></p> <p>En dépit des remontées constatées depuis la mi-2016, les taux restent bas, ce qui peut continuer de favoriser une prise de risque excessive chez certains acteurs du système financier : augmentation des maturités des financements et des actifs détenus, politique d'octroi de crédit moins sévère, progression des</p>

Elément	Description de l'Elément	
		<p>financements à effet de levier.</p> <p>Certains de ces acteurs (assureurs, fonds de pension, gestionnaires d'actifs, etc.) ont une dimension de plus en plus systémique et en cas de turbulences de marché (par exemple liées à une hausse brutale des taux et/ou un réajustement marqué des prix), ces acteurs pourraient être amenés à dénouer de larges positions dans un contexte où la liquidité de marché se révélerait relativement fragile.</p> <p>Par ailleurs, on constate une hausse de la dette (publique comme privée), dans les pays développés comme émergents au cours des années récentes. Le risque afférent pourrait se matérialiser soit en cas de hausse brutale des taux d'intérêt, soit en cas d'un nouveau choc négatif de croissance.</p> <p><b><i>Législation et réglementations applicables aux institutions financières</i></b></p> <p>Les évolutions récentes et à venir des législations et réglementations applicables aux institutions financières peuvent avoir un impact significatif sur BNPP. Les mesures adoptées récemment ou qui sont (ou dont les mesures d'application sont) encore en projet, qui ont, ou sont susceptibles d'avoir un impact sur BNPP, comprennent notamment :</p> <ul style="list-style-type: none"> <li>- les réformes dites structurelles comprenant la loi bancaire française du 26 juillet 2013, imposant aux banques une filialisation ou séparation des opérations dites « spéculatives » qu'elles effectuent pour compte propre de leurs activités traditionnelles de banque de détail, la « règle Volcker » aux États-Unis qui restreint la possibilité des entités bancaires américaines et étrangères de conduire des opérations pour compte propre ou de sponsoriser ou d'investir dans les fonds de capital investissement (« <i>private equity</i> ») et les <i>hedge funds</i>, ainsi que les évolutions attendues en Europe ;</li> <li>- les réglementations sur les fonds propres : la directive européenne sur les exigences prudentielles (« <b>CRD IV</b> ») et le règlement européen sur les exigences prudentielles (« <b>CRR</b> »), le standard international commun de capacité d'absorption des pertes (« <i>total loss-absorbing capacity</i> » ou « TLAC »), et la désignation de BNPP en tant qu'institution financière d'importance systémique par le Conseil de stabilité financière ;</li> <li>- le Mécanisme européen de Surveillance Unique ainsi que l'ordonnance du 6 novembre 2014 ;</li> <li>- la Directive du 16 avril 2014 relative aux systèmes de garantie des dépôts et ses actes délégués et actes d'exécution, la Directive du 15 mai 2014 établissant un cadre pour le Redressement et la Résolution des Banques, le Mécanisme de Résolution Unique instituant le Conseil de Résolution Unique et le Fonds de Résolution Unique ;</li> </ul>

Elément	Description de l'Elément	
		<ul style="list-style-type: none"> <li>- le Règlement final de la Réserve Fédérale des États-Unis imposant des règles prudentielles accrues pour les opérations américaines des banques étrangères de taille importante, notamment l'obligation de créer une société holding intermédiaire distincte située aux États-Unis (capitalisée et soumise à régulation) afin de détenir les filiales américaines de ces banques ;</li> <li>- Les nouvelles règles pour la régulation des activités de dérivés négociés de gré à gré au titre du Titre VII du <i>Dodd-Frank Wall Street Reform and Consumer Protection Act</i> (notamment les exigences de marge pour les produits dérivés non compensés et pour les produits dérivés sur titres conclus par les banques actives sur les marchés de dérivés (« <i>swap dealers</i> »), les principaux intervenants non bancaires sur les marchés de dérivés (« <i>major swap participants</i> »), les banques actives sur les marchés de dérivés sur titres (« <i>security-based swap dealers</i> ») et les principaux intervenants non-bancaires sur les marchés de dérivés sur titres (« <i>major security-based swap participants</i> »), ainsi que les règles de la <i>U.S. Securities and Exchange Commission</i> imposant l'enregistrement des banques actives sur les marchés de dérivés sur titres et des principaux intervenants non-bancaires sur les marchés de dérivés sur titres ainsi que les obligations de transparence et de reporting des transactions de dérivés sur titres ;</li> <li>- la nouvelle directive européenne sur les marchés d'instruments financiers (« <b>MiFID</b> ») et le règlement européen sur les marchés d'instruments financiers (« <b>MiFIR</b> »), ainsi que les réglementations européennes sur la compensation de certains produits dérivés négociés de gré-à-gré par des contreparties centrales et la déclaration des opérations de financement sur titres auprès de référentiels centraux.</li> </ul> <p>Par ailleurs, dans ce contexte réglementaire renforcé, le risque lié au non-respect des législations et réglementations en vigueur, en particulier celles relatives à la protection des intérêts des clients, est un risque important pour l'industrie bancaire, qui s'est traduit par des pertes et amendes importantes. Au-delà de son dispositif de conformité qui couvre spécifiquement ce type de risque, le Groupe BNP Paribas place l'intérêt des clients, et d'une manière plus générale des parties prenantes, au centre de ses valeurs. Le nouveau Code de conduite adopté par le Groupe BNP Paribas en 2016 établit des valeurs et des règles de conduite détaillées dans ce domaine.</p> <p><b>Cyber-risque</b></p> <p>Au cours des années passées, les institutions du secteur financier ont été touchées par nombre de cyber incidents, notamment par des altérations à grande échelle de données compromettant la qualité de l'information financière. Ce risque perdure aujourd'hui et BNPP, tout comme d'autres</p>

Elément	Description de l'Elément																
		<p>établissements bancaires s'est mise en ordre de marche afin de mettre en place des dispositifs permettant de faire face à des cyber attaques propres à détruire ou à endommager des données et des systèmes critiques et à gêner la bonne conduite des opérations. Par ailleurs, les autorités réglementaires et de supervision prennent des initiatives visant à promouvoir l'échange d'informations en matière de cyber sécurité et de cyber criminalité, à améliorer la sécurité des infrastructures technologiques et à mettre en place des plans efficaces de rétablissement consécutifs à un cyber incident.</p> <p><i>Concernant BNPP B.V.:</i></p> <p>BNPP B.V. est dépendante de BNPP. BNPP B.V. est une filiale intégralement détenue par BNPP et qui est particulièrement impliquée dans l'émission de titres tels que des obligations, warrants ou certificats ou d'autres obligations qui sont développées, mises en place ou vendues à des investisseurs par d'autres sociétés du Groupe BNP Paribas (y compris BNPP). Les titres sont couverts par l'acquisition d'instruments de couverture et/ou de sûretés auprès de BNP Paribas et d'entités de BNP Paribas, tels que décrits dans l'Elément D.2 ci-dessous. Par conséquent, les Informations sur les tendances décrites pour BNPP doivent également s'appliquer à BNPP B.V.</p>															
<b>B.5</b>	Description du Groupe	BNPP est un leader européen des services bancaires et financiers et possède quatre marchés domestiques de banque de détail en Europe: la Belgique, la France, l'Italie et le Luxembourg. Il est présent dans 74 pays et compte plus de 192.000 collaborateurs, dont plus de 146.000 en Europe. BNPP est la société mère du Groupe BNP Paribas (ensemble le " <b>Groupe BNPP</b> "). BNPP B.V. est une filiale intégralement détenue par BNPP.															
<b>B.9</b>	Prévision ou estimation du bénéfice	Sans objet, en l'absence de prévision ou estimation du bénéfice concernant l'Emetteur au sein du Prospectus de Base sur lequel ce Résumé porte.															
<b>B.10</b>	Réserves contenues dans le rapport d'audit	Sans objet, il n'existe aucune réserve dans le rapport d'audit sur les informations financières historiques contenues dans le Prospectus de Base.															
<b>B.12</b>	<p>Informations financières historiques clés sélectionnées :</p> <p><b>En relation avec BNPP B.V. :</b></p> <p><b>Données Financières Annuelles Comparées - En EUR</b></p> <table> <tr> <th></th><th><b>31/12/2016 (auditées)</b></th><th><b>31/12/2015 (auditées)</b></th></tr> <tr> <td>Produit Net Bancaire</td><td>399.805</td><td>315.558</td></tr> <tr> <td>Résultat Net, part du Groupe</td><td>23.307</td><td>19.786</td></tr> <tr> <td>Total du bilan</td><td>48.320.273.908</td><td>43.042.575.328</td></tr> <tr> <td>Capitaux Propres (part du Groupe)</td><td>488.299</td><td>464.992</td></tr> </table>			<b>31/12/2016 (auditées)</b>	<b>31/12/2015 (auditées)</b>	Produit Net Bancaire	399.805	315.558	Résultat Net, part du Groupe	23.307	19.786	Total du bilan	48.320.273.908	43.042.575.328	Capitaux Propres (part du Groupe)	488.299	464.992
	<b>31/12/2016 (auditées)</b>	<b>31/12/2015 (auditées)</b>															
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Capitaux Propres (part du Groupe)	488.299	464.992															

Elément	Description de l'Elément		
	<b>En relation avec BNPP :</b>		
	<b>Données Financières Annuelles Comparées - En millions d'EUR</b>		
		<b>31/12/2016 (auditées)</b>	<b>31/12/2015 (auditées)</b>
	Produit Net Bancaire	43.411	42.938
	Coût du Risque	(3.262)	(3.797)
	Résultat Net, part du Groupe	7.702	6.694
		<b>31/12/2016</b>	<b>31/12/2015</b>
	Ratio Common Equity Tier 1 (Bâle 3 pleinement appliqué, CRD4)	11,5%	10,9%
		<b>31/12/2016 (auditées)</b>	<b>31/12/2015 (auditées)</b>
	Total du bilan consolidé	2.076.959	1.994.193
	Total des prêts et créances sur la clientèle consolidé	712.233	682.497
	Total des dettes envers la clientèle consolidé	765.953	700.309
	Capitaux Propres (part du Groupe)	100.665	96.269
	<b>Données Financières Intermédiaires Comparées pour la période de trois mois se terminant le 31 mars 2017 – En millions d'EUR</b>		
		<b>T1 2017 (non auditées)</b>	<b>T1 2016 (non auditées)</b>
	Produit Net Bancaire	11.297	10.844
	Coût du risque	(592)	(757)
	Résultat Net, part du Groupe	1.894	1.814
		<b>31/03/2017</b>	<b>31/12/2016</b>
	Ratio Common equity Tier 1 (Bâle 3 pleinement applicable, CRD4)	11,6%	11,5%
		<b>31/03/2017</b>	<b>31/12/2016</b>

		(non auditées)	(auditées)
	Total du bilan consolidé	2.197.658	2.076.959
	Total des prêts et créances sur la clientèle	718.009	712.233
	Total des dettes envers la clientèle	801.381	765.953
	Capitaux Propres (part du Groupe)	102.076	100.665
	<p><b><i>Déclarations relatives à l'absence de changement significatif ou de changement défavorable significatif</i></b></p> <p>Il ne s'est produit aucun changement significatif dans la situation financière ou commerciale du Groupe BNPP depuis le 31 décembre 2016 (date de clôture de la dernière période comptable pour laquelle des états financiers audités ont été publiés). Il ne s'est produit aucun changement défavorable significatif dans les perspectives de BNPP ou du Groupe BNPP depuis le 31 décembre 2016 (date de clôture de la dernière période comptable pour laquelle des états financiers audités ont été publiés).</p> <p>Il ne s'est produit aucun changement significatif dans la situation financière ou commerciale de BNPP B.V. depuis le 31 décembre 2016 et il ne s'est produit aucun changement défavorable significatif dans les perspectives de BNPP B.V depuis le 31 décembre 2016.</p>		
<b>B.13</b>	Evénements impactant la solvabilité de l'Emetteur	<p>Sans objet, à la date de ce Prospectus de Base et à la connaissance de l'Emetteur concerné, il ne s'est produit aucun événement récent qui présente un intérêt significatif pour l'évaluation de la solvabilité de l'Emetteur concerné depuis le 31 décembre 2016.</p>	

<p><b>B.14</b></p>	<p>Dépendance à l'égard d'autres entités du groupe</p>	<p>Sous réserve du paragraphe suivant, BNPP n'est pas dépendant d'autres membres du Groupe BNPP. BNPP B.V. est dépendant des autres membres du Groupe BNPP.</p> <p>En avril 2004 est entrée en fonctionnement la co-entreprise « BNP Paribas Partners for Innovation » (BP<sup>2</sup>I) qui, constituée avec IBM France fin 2003, délivre des services d'infrastructure de production informatique pour BNPP et plusieurs de ses filiales françaises (BNP Paribas Personal Finance, BP2S, BNP Paribas Cardif...) ou européennes (Suisse, Italie). Mi-décembre 2011, le dispositif contractuel avec IBM France a été renouvelé et prorogé jusqu'à fin 2017. Fin 2012, un accord a été conclu en étendant ce dispositif à BNP Paribas Fortis en 2013. La filiale suisse a été fermée le 31 décembre 2016.</p> <p>BP<sup>2</sup>I est placée sous le contrôle opérationnel d'IBM France ; BNP Paribas exerce une forte influence sur cette entité qu'elle détient à parts égales avec IBM France : les personnels de BNP Paribas mis à disposition de BP<sup>2</sup>I composent la moitié de son effectif permanent, les bâtiments et centres de traitement sont la propriété du Groupe, la gouvernance mise en œuvre garantit contractuellement à BNP Paribas une surveillance du dispositif et sa réintégration au sein du Groupe si nécessaire.</p> <p>ISFS, société détenue à 100 % par le groupe IBM, a pris le nouveau nom de « IBM Luxembourg », et assure également des services d'infrastructure de production informatique pour une partie des entités de BNP Paribas Luxembourg.</p> <p>La production informatique de BancWest est assurée par un fournisseur externe : Fidelity Information Services (<b>FIS</b>) pour son cœur applicatif bancaire. L'hébergement et les opérations de production sont également localisés chez FIS à Honolulu.</p> <p>La production informatique de Cofinoga France est assurée par SDDC, société détenue à 100 % par IBM.</p> <p>BNPP B.V. est dépendante de BNPP. BNPP B.V. est une filiale intégralement détenue par BNPP et qui est particulièrement impliquée dans l'émission de titres tels que des obligations, warrants ou certificats ou autres obligations qui sont développées, mises en place ou vendues à des investisseurs par d'autres sociétés du Groupe BNPP (y compris BNPP). Les titres sont couverts par l'acquisition d'instruments de couverture et/ou de sûretés auprès de BNP Paribas et d'entités de BNP Paribas tels que décrits dans l'Elément D.2 ci-dessous.</p> <p>Voir également l'Elément B.5 ci-dessus.</p>
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B.15	Principales activités	<p>BNP Paribas détient des positions clés dans ses deux domaines d'activité:</p> <ul style="list-style-type: none"> <li>• <b><i>Retail Banking and Services</i></b> regroupant : <ul style="list-style-type: none"> <li>• <i>Domestic Markets</i> composé de : <ul style="list-style-type: none"> <li>• Banque de Détail en France (BDDF),</li> <li>• <i>BNL Banca Commerciale</i> (BNL bc), banque de détail en Italie,</li> <li>• Banque De Détail en Belgique (BDDB),</li> <li>• Autres activités de <i>Domestic Markets</i> y compris la Banque de Détail et des Entreprises au Luxembourg (BDEL);</li> </ul> </li> <li>• <b><i>International Financial Services</i></b>, composé de : <ul style="list-style-type: none"> <li>• Europe-Méditerranée,</li> <li>• BancWest,</li> <li>• <i>Personal Finance</i>,</li> <li>• Assurance,</li> <li>• Gestion Institutionnelle et Privée;</li> </ul> </li> </ul> </li> <li>• <b><i>Corporate and Institutional Banking (CIB)</i></b> regroupant : <ul style="list-style-type: none"> <li>• Corporate Banking,</li> <li>• Global Markets,</li> <li>• Securities Services.</li> </ul> </li> <li>• BNPP B.V. a pour activité principale d'émettre et/ou d'acquérir des instruments financiers de toute nature et de conclure des contrats à cet effet pour le compte de différentes entités au sein du Groupe BNPP.</li> </ul>
B.16	Actionnaires de contrôle	<ul style="list-style-type: none"> <li>• Aucun des actionnaires existants ne contrôle BNPP, que ce soit directement ou indirectement. Au 31 décembre 2016, les principaux actionnaires étaient la Société Fédérale de Participations et d'Investissement (SFPI), société anonyme d'intérêt public agissant pour le compte du gouvernement belge, qui détient 10,2% du capital social, BlackRock Inc. qui détient 5,2% du capital social et le Grand-Duché de Luxembourg, qui détient 1,0% du capital social. A la connaissance de BNPP, aucun actionnaire autre que SFPI et BlackRock Inc. ne détient plus de 5% de son capital ou de ses droits de vote.</li> <li>• Le 4 mai 2017, l'Etat belge par l'intermédiaire de la Société Fédérale</li> </ul>



		<p>de Participations et d'Investissement («<b>SFPI-FPIM</b>») a annoncé la conclusion d'une opération de vente à terme portant sur 31.198.404 actions BNPP détenues par SFPI-FPIM, soit environ 2,5% du capital social. Au moment du dénouement de ces opérations de vente à terme, la participation de la SFPI-FPIM dans BNPP sera réduite à environ 7,8%.</p> <ul style="list-style-type: none"> <li>BNP Paribas détient 100% du capital social de BNPP B.V.</li> </ul>
<b>B.17</b>	Notations de crédit sollicitées	<p>Les notations de crédit à long terme de BNPP B.V. sont: A avec une perspective stable (Standard &amp; Poor's Credit Market Services France SAS) et les notations à court terme de BNPP B.V. sont : A-1 (Standard &amp; Poor's Credit Market Services France SAS).</p> <p>Les notations de crédit à long terme de BNPP sont : A avec une perspective stable (Standard &amp; Poor's Credit Market Services France SAS), A1 avec une perspective stable (Moody's Investors Service Ltd.), A+ avec une perspective stable (Fitch France S.A.S.) et AA (low) avec une perspective stable (DBRS Limited) et les notations de crédit à court terme de BNPP sont : A-1 (Standard &amp; Poor's Credit Market Services France SAS), P-1 (Moody's Investors Service Ltd.), F1 (Fitch France S.A.S.) et R-1 (middle) (DBRS Limited).</p> <p>Les Titres émis dans le cadre de ce Prospectus de Base pourront ou non faire l'objet d'une notation.</p> <p>Une notation n'est pas une recommandation d'achat, de vente ou de détention des titres concernés et peut être suspendue, réduite ou révoquée à tout moment par l'agence de notation qui l'a attribuée.</p>
<b>B.18</b>	Description de la Garantie	<p>Les Titres de droit anglais non assortis de Sûretés émis par BNPP B.V. seront inconditionnellement et irrévocablement garantis par BNPP en vertu d'un acte de garantie de droit anglais signé par BNPP le 7 juin 2017, ou une date approchante. Les obligations en vertu de la garantie sont des obligations non subordonnées et non assorties de sûretés de BNPP et viendront au même rang que toutes ses autres obligations présentes et futures non subordonnées et non assorties de sûretés sous réserve des exceptions qui peuvent au cours du temps être obligatoires en vertu du droit français.</p> <p>Dans le cas où BNPP fait l'objet d'un renflouement interne, mais sans que BNPP B.V. n'en fasse l'objet, les obligations et/ou montants dus par BNPP, au titre de la garantie, devront être réduits afin de prendre en compte toutes les modifications ou réductions appliquées aux dettes de BNPP résultant de l'application du renflouement interne de BNPP. par toute autorité de régulation compétente (y compris dans le cas où la garantie elle-même ne fait pas l'objet d'un tel renflouement interne).</p> <p>Les Titres de droit anglais assortis de sûretés émis par BNPP B.V. seront inconditionnellement et irrévocablement garantis par BNPP en vertu d'un acte de garantie de droit anglais signé par BNPP le 7 juin 2017, ou une date approchante. Les obligations en vertu de la garantie sont des obligations non subordonnées et non assorties de sûretés de BNPP et viendront au même rang</p>

		<p>que toutes ses autres obligations présentes et futures non subordonnées et non assorties de sûretés sous réserve des exceptions qui peuvent au cours du temps être obligatoires en vertu du droit français.</p> <p>Les Titres de droit français non assortis de sûretés émis par BNPP B.V. seront inconditionnellement et irrévocablement garantis par BNPP en vertu d'une garantie de droit français signée par BNPP le 7 juin 2017, ou une date approchante. Les obligations en vertu de la garantie sont des obligations non subordonnées et non assorties de sûretés de BNPP et viendront au même rang que toutes ses autres obligations présentes et futures non subordonnées et non assorties de sûretés sous réserve des exceptions qui peuvent au cours du temps être obligatoires en vertu du droit français.</p> <p>Dans le cas où BNPP fait l'objet d'un renflouement interne, mais sans que BNPP B.V. n'en fasse l'objet, les obligations et/ou montants dus par BNPP, au titre de la garantie, devront être réduits afin de prendre en compte toutes les modifications ou réductions appliquées aux dettes de BNPP résultant de l'application du renflouement interne de BNPP par toute autorité de régulation compétente (y compris dans le cas où la garantie elle-même ne fait pas l'objet d'un tel renflouement interne).</p> <p>Les Titres de droit français assortis de sûretés émis par BNPP B.V. seront inconditionnellement et irrévocablement garantis par BNPP en vertu d'une garantie de droit français signée par BNPP le 7 juin 2017, ou une date approchante. Les obligations en vertu de la garantie sont des obligations non subordonnées et non assorties de sûretés de BNPP et viendront au même rang que toutes ses autres obligations présentes et futures non subordonnées et non assorties de sûretés sous réserve des exceptions qui peuvent au cours du temps être obligatoires en vertu du droit français.</p>
<b>B.19</b>	Informations concernant le Garant	Voir les Eléments B.1 à B.17 ci-dessus dans le cas de BNPP.

## Section C – Valeurs Mobilières

Elément	Description de l'Elément	
C.1	Nature et catégorie des valeurs mobilières/ numéro d'identification (Code ISIN)	<p>Des warrants ("<b>Warrants</b>" ou "<b>Titres</b>") peuvent être émis en vertu de ce Prospectus de Base.</p> <p>BNPP B.V. et BNPP peuvent émettre des Warrants régis par le droit anglais ou le droit français.</p> <p>BNPP B.V. peut émettre des Warrants assortis de sûretés et non assortis de sûretés.</p> <p>Le Code ISIN, le Code Commun et le Code Mnemonic d'une Souche de Titres seront spécifiés dans les Conditions Définitives applicables.</p> <p>Si cela est spécifié dans les Conditions Définitives applicables, les Titres seront consolidés et formeront une souche unique avec les tranches précédentes tel que spécifié dans les Conditions Définitives applicables</p> <p>Les Titres peuvent être des titres à règlement en numéraire ("<b>Titres à Règlement en Numéraire</b>") ou des titres à règlement physique ("<b>Titres à Règlement Physique</b>").</p>
C.2	Devise	Sous réserve de se conformer à toutes les lois, réglementations et directives applicables, les Titres pourront être émis dans toute devise.
C.5	Restrictions à la libre négociabilité	Les Titres seront librement négociables, sous réserve des restrictions d'offre et de vente en vigueur aux États-Unis, dans l'Espace Economique Européen, en Belgique, au Danemark, en Finlande, en France, en Italie, au Luxembourg, en Norvège, au Portugal, en Espagne, en Suède, au Japon et en Australie, et conformément à la Directive Prospectus et aux lois de toutes juridictions dans lesquelles les Titres concernés sont offerts ou vendus.
C.8	Droits s'attachant aux Titres	<p>Les Titres émis dans le cadre de ce Prospectus de Base seront soumis à des modalités concernant, entre autres, les questions suivantes :</p> <p><b><i>Rang de Créance des Titres</i></b></p> <p><i>Dans le cas de Titres émis par BNPP B.V.:</i></p> <p>Les Titres sont émis sur une base assortie de sûretés ou non assortie de sûretés. Les Titres émis sur une base non assortie de sûretés constituent des obligations non subordonnées et non assorties de sûretés de l'Emetteur et viennent au même rang entre eux.</p> <p>Les Titres émis sur une base assortie de sûretés ("<b>Titres Assortis de Sûretés</b>") constituent des obligations non subordonnées et assorties de sûretés de l'Emetteur et viendront au même entre eux.</p> <p><i>Dans le cas de Titres émis par BNPP :</i></p>

Elément	Description de l'Elément	
		<p>Les Titres constituent des obligations non subordonnées et non assorties de sûretés de l'Emetteur et viennent au même rang entre eux. Le terme « obligations non subordonnées » fait référence à toutes les obligations senior préférées qui constituent ou dont il est stipulé qu'elles constituent des obligations décrites à l'article L. 613-30-3-I-3° du Code monétaire et financier. Par ailleurs, les Emetteurs ne pourront pas émettre d'obligations senior non préférées dans le cadre de ce Prospectus de Base.</p> <p><b>Titres Assortis de Sûretés</b></p> <p>BNPP B.V. consentira, pour les Titres Assortis de Sûretés, une sûreté en faveur de BNP Paribas Trust Corporation UK Limited ou de toute autre entité spécifiée en qualité d'agent des sûretés dans les Conditions Définitives applicables (l'"<b>Agent des Sûretés</b>") pour le compte de l'Agent des Sûretés et des détenteurs concernés de Titres, sur des actifs (ces actifs étant ci-après dénommés : les "<b>Actifs Donnés en Garantie</b>") qui seront détenus sur des comptes tenus par un dépositaire ou une banque (chacun étant ci-après dénommé : un "<b>Compte de Garanties</b>").</p> <p>Une ou plusieurs souches de Titres Assortis de Sûretés pourront être garanties par le même pool d'Actifs Donnés en Garantie (le "<b>Pool de Garanties</b>"). Les Actifs Donnés en Garantie figurant dans un Pool de Garanties devront se composer des actifs éligibles spécifiés dans les Conditions Définitives applicables. Les Conditions Définitives applicables spécifieront les Actifs Donnés en Garantie qui composeront le ou les Pools de Garanties pour la souche de Titres Assortis de Sûretés concernée, et préciseront si l'Emetteur fournira ou non des sûretés au titre de la valeur des Titres Assortis de Sûretés, réévaluée à la valeur de marché (« <i>marked to market</i> » et, par abréviation « MTM ») ("<b>Garantie MTM</b>") ou d'une partie de la valeur des Titres Assortis de Sûretés, réévaluée à la valeur de marché (« <i>marked to market</i> » et, par abréviation « MTM ») ("<b>Garantie Partielle de la MTM</b>").</p> <p>L'Emetteur ne détiendra pas les Actifs Donnés en Garantie afférents à des Titres Assortis de Sûretés si lui-même ou l'un de ses affiliés est le propriétaire effectif de ces Titres Assortis de Sûretés.</p> <p>Après la survenance de l'un ou plusieurs des cas de défaut applicables aux Titres Assortis de Sûretés (ces cas de défaut incluant le défaut de paiement, l'inexécution ou le non-respect des obligations de BNPP B.V. ou du Garant en vertu des Titres Assortis de Sûretés, l'insolvabilité ou la liquidation de l'Emetteur ou du Garant) et la délivrance par un titulaire de Titres Assortis de Sûretés d'une notification à cet effet à l'Agent des Sûretés, entre autres, qui n'est pas contestée par BNPP B.V., la sûreté constituée sur chaque Pool de Garanties sera exécutée par l'Agent des Sûretés.</p> <p>Si, à la suite de la réalisation ou de l'exécution forcée de la sûreté constituée sur le Pool de Garanties, le montant payé aux titulaires de Titres Assortis de Sûretés pour une souche de Titres Assortis de Sûretés est inférieur au montant</p>

Elément	Description de l'Elément	
		<p>payable sur ces titres après cette réalisation ou cette exécution forcée, ce déficit sera irrévocablement garanti par BNPP. Certaines souches de Titres Assortis de Sûretés peuvent stipuler qu'en cas d'exécution forcée de la sûreté constituée sur le Pool de Garanties, les Actifs Donnés en Garantie et/ou la valeur réalisée grâce à la vente des Actifs Donnés en Garantie qui sont vendus en relation avec l'exécution forcée et la livraison, seront livrés aux titulaires de Titres concernés, sans calcul de tout déficit éventuel.</p> <p>Le montant payable en vertu des Titres Assortis de Sûretés après la réalisation ou l'exécution forcée de la sûreté constituée sur un Pool de Garanties sera, comme spécifié dans les Conditions Définitives applicables, le Montant de Liquidation de la Valeur de la Sûreté ou les Produits de Réalisation de la Valeur de la Sûreté.</p> <p><b>Fiscalité</b></p> <p>Le Titulaire devra payer tous les impôts, taxes et/ou frais découlant de l'exercice et du règlement des Titres et/ou de la livraison ou du transfert des actifs dus en cas de Règlement Physique. L'Emetteur devra déduire des montants payables ou des actifs livrables aux Titulaires certains impôts, taxes et frais non antérieurement déduits des montants payés ou des actifs livrés à des Titulaires, que l'Agent de Calcul déterminera comme attribuables aux Titres.</p> <p>Les paiements seront soumis dans tous les cas (i) aux lois et réglementations fiscales ou autres qui leur sont applicables dans le lieu de paiement, (ii) à toute retenue à la source ou tout prélèvement libératoire devant être effectué en vertu d'un accord de la nature décrite à la Section 1471(b) de l'<i>U.S. Internal Revenue Code</i> de 1986 (le "<b>Code</b>"), ou qui est autrement imposé en vertu des Sections 1471 à 1474 du Code, de toutes réglementations ou conventions prises pour leur application, de toutes leurs interprétations officielles ou de toute loi prise pour appliquer une approche intergouvernementale de celles-ci, et (iii) à toute retenue à la source ou tout prélèvement libératoire devant être effectué en vertu de la Section 871(m) du Code.</p> <p>Par ailleurs, pour la détermination du montant de retenue à la source ou de tout prélèvement libératoire devant être effectué en vertu de la Section 871(m) du Code sur tous montants devant être payés au titre des Titres, l'Emetteur sera en droit de retenir tout paiement d'« équivalent de dividende » (<i>dividend equivalent</i>) (tel que défini pour les besoins de la Section 871(m) du Code) à un taux de 30 pour cent.</p> <p><b>Maintien de l'Emprunt à son Rang</b></p> <p>Les modalités des Titres ne contiendront aucune clause de maintien de l'emprunt à son rang.</p> <p><b>Cas de Défaut</b></p>

Elément	Description de l'Elément	
		<p>Les modalités des Titres (à l'exception des Titres Assortis de Sûretés) ne prévoient pas de cas de défaut. Les cas de défaut relatifs aux Titres Assortis de Sûretés sont décrits dans cet Elément C.8, sous le paragraphe « <i>Titres Assortis de Sûretés</i> ».</p> <p><b>Assemblées Générales</b></p> <p>Les modalités des Titres contiendront des dispositions relatives à la convocation d'assemblées générales des titulaires de ces Titres, afin d'examiner des questions affectant leurs intérêts en général. Ces dispositions permettront à des majorités définies de lier tous les titulaires, y compris ceux qui n'auront pas assisté et voté à l'assemblée concernée et ceux qui auront voté d'une manière contraire à celle de la majorité.</p> <p>Dans le cas de Titres de droit français, les Conditions Définitives applicables pourront spécifier que les Titulaires de toutes Tranches d'une même Souche, seront automatiquement regroupés, pour la défense de leurs intérêts communs, en une masse (la "<b>Masse</b>") ou que les Titulaires ne seront pas regroupés en une Masse.</p> <p><b>Loi applicable</b></p> <p><i>Dans le cas de Titres de droit anglais :</i></p> <p>Les Titres, le Contrat de Service Financier de droit anglais (tel que modifié ou complété au cours du temps), la Garantie relative aux Titres, et tous engagements non-contractuels découlant des Titres, du Contrat de Service Financier de droit anglais (tel que modifié ou complété au cours du temps) et de la Garantie relative aux Titres seront régis par le droit anglais, qui gouvernera également leur interprétation.</p> <p><i>Dans le cas de Titres de droit français :</i></p> <p>Les Titres, le Contrat de Service Financier de droit français (tel que modifié ou complété au cours du temps) et la Garantie BNPP de droit français seront régis par le droit français, qui gouvernera également leur interprétation, et toute action ou procédure y afférente relèvera de la compétence des tribunaux compétents dans le ressort de la Cour d'Appel de Paris. BNPP B.V. élit domicile au siège social de BNP Paribas, actuellement situé 16, boulevard des Italiens, 75009 Paris.</p>
<b>C.9</b>	Intérêts/ Remboursement	<p><b>Intérêts</b></p> <p>Les Titres ne portent pas intérêts et ne donneront lieu à aucun paiement d'intérêts.</p> <p><b>Remboursement</b></p> <p>Les conditions dans lesquelles les Titres peuvent être exercés (y compris la date d'exercice et la date de règlement corrélative, ainsi que le montant</p>

Elément	Description de l'Elément	
		<p>payable ou livrable lors de l'exercice, et toutes dispositions relatives à l'annulation) seront déterminées par l'Emetteur à la date d'émission des Titres concernés, spécifiées dans les Conditions Définitives applicables et résumées dans le résumé spécifique de l'émission annexé aux Conditions Définitives applicables.</p> <p>Les Titres peuvent être annulés par anticipation si l'exécution des engagements de l'Emetteur en vertu des Titres est devenue illégale ou s'il est devenu impossible ou impraticable, en raison d'un cas de force majeure ou du fait du prince, pour l'Emetteur d'exécuter ses engagements en vertu des Titres et/ou de tous accords de couverture connexes.</p> <p>Dans le cas de Titres indexés sur un Sous-Jacent de Référence, les Titres peuvent également être annulés à la suite de la survenance de certains cas de perturbation ou d'ajustement ou de certains événements exceptionnels ou autres, tels que résumés dans le résumé spécifique de l'émission annexé aux Conditions Définitives applicables. Si les Conditions Définitives applicables spécifient que la clause de Changement de Formule de Paiement ou Changement Automatique de Formule de Paiement s'applique, le montant payable ou livrable en cas d'exercice pourra être changé pour passer d'un montant payable ou livrable à un autre.</p> <p><b><i>Représentant des Titulaires de Titres</i></b></p> <p>Aucun représentant des Titulaires de Titres n'a été nommé par l'Emetteur, sauf si, dans le cas des Titres de droit français, cela est spécifié dans les Conditions Définitives applicables.</p> <p>Sur les droits s'attachant aux Titres, veuillez également vous référer à l'Elément C.8 ci-dessus.</p>
<b>C.10</b>	Paiement des intérêts liés à un ou plusieurs instrument(s) dérivé(s)	<p>Les Titres ne portent pas intérêts et ne donneront lieu à aucun paiement d'intérêts.</p> <p>Veuillez également vous référer à l'Elément C.9 ci-dessus.</p>
<b>C.11</b>	Admission à la Négociation	<p>Les Titres émis dans ce Prospectus de Base pourront être admis à la négociation sur Euronext Paris, la Bourse de Luxembourg, la Bourse Italienne, le marché Euro MTF, Euronext Bruxelles, NASDAQ OMX Helsinki Ltd., Nordic Growth Market ou tel autre marché réglementé, organisé ou tel autre système de négociation spécifié dans les Conditions Définitives applicables, ou pourront être émis sans être admis à la négociation sur un marché réglementé, un marché organisé ou un autre système de négociation.</p>
<b>C.15</b>	Description de l'impact de la valeur du sous-jacent sur la valeur de l'investissement	<p>Le montant (le cas échéant) payable ou les actifs livrables lors du règlement des Titres sont calculés par référence à un ou plusieurs Sous-Jacents de Référence spécifié dans les Conditions Définitives applicables.</p>

Elément	Description de l'Elément	
C.16	Echéance des Titres Dérivés	La Date d'Exercice (en cas de Warrants de style européen) ou la Date d'Expiration (en cas de Warrants de style américain) des Titres sera spécifiée dans les Conditions Définitives applicables.
C.17	Procédure de Règlement	Les Titres peuvent être des titres à règlement en numéraire ou à règlement physique.
C.18	Produits des Titres Dérivés	<p>Sur les droits s'attachant aux Titres, voir l'Elément C.8 ci-dessus.</p> <p>L'Elément C.9 ci-dessus donne des informations sur les intérêts dus en relation avec les Titres.</p> <p><b>Exercice et Règlement</b></p> <p>Chaque Titre habilite son titulaire, lors de son exercice en bonne et due forme, à recevoir de l'Emetteur, à la Date de Règlement :</p> <p>(a) si les Titres sont des Warrants à Règlement en Numéraire, un Montant de Règlement en Numéraire égal à la Formule de Paiement Final spécifiée dans les Conditions Définitives applicables ; ou</p> <p>(b) si les Titres sont des Warrants à Règlement Physique, la livraison des Droits à Règlement Physique, soit la quantité de l'Actif/des Actifs Concernés spécifié(s) dans les Conditions Définitives applicables, égale au Montant des Droits à Règlement Physique spécifié dans les Conditions Définitives applicables.</p> <p>Nonobstant ce qui précède, si les Titres sont des Titres Indexés sur un Evènement de Crédit, le règlement sera d'un montant égal aux, et/ou effectué par livraison des actifs spécifiés dans les Modalités relatives aux Titres Indexés sur un Evènement de Crédit et les Conditions Définitives applicables.</p> <p><b>Formules de Paiement Final</b></p> <p><b>Formules de Paiement Final des Titres négociés ETS (Exchange Traded Securities)</b></p> <p><b>(1) Produits d'investissements</b></p> <p>(a) Rendement Optimisé (Formules de Paiement Final ETS 1200, 1240/4, 1250/1, 1250/4, 1250/6, 1250/7): produits à terme fixe qui ont un rendement fixe si certaines conditions (y compris un plafond, des mécanismes de barrière désactivante et/ou des exercices anticipés automatiques) relatives à un ou plusieurs Sous-Jacents de Référence sont remplies. Le capital peut être garanti partiellement, totalement ou ne pas être garanti.</p> <p>(b) Participation (Formules de Paiement Final 1300, 1320/1, 1320/3, 1399): produits à terme fixe qui ont un rendement fixe pour lesquels le rendement est indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence. Le calcul du rendement peut être basé sur des mécanismes variés (y compris des</p>



Elément	Description de l'Elément	
		<p>mécanismes de barrière activante ou désactivante). Le capital peut être garanti partiellement, totalement ou ne pas être garanti.</p> <p>(2) <b>Produits à effet de levier</b></p> <p>(a) Effet de levier (Formules de Paiement Final 2100, 2110/1, 2110/2, 2110/3, 2110/4, 2200/1, 2200/2): produits à terme fixe pour lesquels le rendement est indexé sur la performance linéaire ou non-linéaire d'un ou plusieurs Sous-Jacents de Référence. Le calcul du rendement peut être basé sur des mécanismes variés (y compris des mécanismes de barrière désactivante). Le capital ne peut pas être garanti.</p> <p>(b) Effet de levier Constant (Formules de Paiement Final Payout 2300/1): produits à terme fixe qui ont un rendement calculé par référence à un effet de levier quotidien fixé sur la performance positive ou négative d'un ou plusieurs Sous-Jacents de Référence. Le capital ne peut pas être garanti.</p> <p><b>Formules de Paiement Final des Titres Structurés (<i>Structured Products Securities</i> ou SPS)</b></p> <p>(a) Titres Fixed Percentage : produits à terme fixe qui ont un rendement égal à un pourcentage fixe.</p> <p>(b) Titres Reverse Convertible (Reverse Convertible, Reverse Convertible Standard) : produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence et sur le niveau d'une barrière activante. Le capital ne peut pas être garanti.</p> <p>(c) Titres Vanilla (Call, Call Spread, Put, Put Spread, Digital Knock-in Call, Knock-out Call): produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence. Le rendement est calculé par référence à des mécanismes variés (y compris des mécanismes de barrière activante ou désactivante). Le capital peut être garanti partiellement, totalement ou ne pas être garanti.</p> <p>(d) Titres Asian (Asian, Asian Spread, Himalaya) : produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence déterminé grâce à une méthode de moyenne. Le rendement est calculé par référence à des mécanismes divers (y compris des mécanismes de plafond ou de <i>lock-in</i>). Le capital peut être garanti partiellement, totalement ou ne pas être garanti.</p> <p>(e) Titres Auto-callable (Autocall, Autocall One Touch, Autocall Standard) : produits à terme fixe qui incluent un mécanisme d'exercice anticipé automatique. Le rendement est indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence. Le rendement est calculé par référence à des mécanismes divers (y compris des mécanismes de barrière activante). Le capital peut être garanti partiellement, totalement ou ne pas être garanti.</p> <p>(f) Titres Indexés (Certi plus : Booster, Certi plus : Bonus, Certi plus :</p>

Elément	Description de l'Elément	
		<p>Leveraged, Certi plus : Twin Win, Certi plus : Super Sprinter, Certi plus : Generic, Certi plus : Generic Knock-in, Certi plus : Generic Knock-out) : produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence. Le calcul du rendement peut être basé sur plusieurs mécanismes (y compris des mécanismes de barrière activante ou désactivante). Le capital peut être garanti partiellement, totalement ou ne pas être garanti.</p> <p>(g) Titres Ratchet : produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence. Le rendement est égal à la somme des rendements déterminés par application d'une formule (qui peut être plafonnée ou connaître un plancher). Le capital peut être garanti partiellement, totalement ou ne pas être garanti.</p> <p>(h) Titres Sum : produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence. Le calcul du rendement est égal à la somme pondérée des rendements déterminés par application de différentes formules de paiement. Le capital peut être garanti partiellement, totalement ou ne pas être garanti.</p> <p>(i) Titres Option Max : produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence. Le rendement est égal au rendement maximum déterminé par l'application de plusieurs formules de paiement final. Le capital peut être garanti partiellement, totalement ou ne pas être garanti.</p> <p>(j) Titres Stellar : produits à terme fixe qui ont un rendement indexé sur la performance d'un panier de Sous-Jacents de Référence. Le calcul du rendement, qui est soumis à un plancher est composé d'une moyenne des rendements de chaque Sous-Jacent de Référence dans le panier, chacun étant soumis à un plafond et un plancher.</p> <p>(j) Titres Driver : produits à terme fixe qui ont un rendement indexé sur la performance d'un panier de Sous-Jacents de Référence. Le calcul du rendement qui est soumis à un plancher est déterminé par référence à la moyenne des rendements du panier, où la performance d'un ou plusieurs Sous-Jacents de Référence ayant la meilleure performance est fixée à un niveau déterminé.</p> <p><b>Formules de Paiement Final Revenu Fixe (FI)</b></p> <p>(a) Titres FI FX Vanilla : produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence. Le rendement est calculé par référence à divers mécanismes (y compris les mécanismes de barrière activante et désactivante). Le capital peut être garanti partiellement, totalement ou ne pas être garanti.</p> <p>(b) Titres Digital (Digital Floor, Digital Cap, Digital Plus) : produits à terme fixe qui ont un rendement fixe ou variable dépendant de la performance d'un</p>

Elément	Description de l'Elément	
		<p>ou plusieurs Sous-Jacents de Référence. Le rendement est calculé par référence à des mécanismes variés (y compris des planchers ou des plafonds et des mécanismes de barrière activante et/ou désactivante).</p> <p>(c) Titres liés à l'inflation : produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence.</p> <p><b>Montant des Droits à Règlement Physique</b></p> <p>Livraison du Sous-Jacent le Moins Performant</p> <p>Livraison du Sous-Jacent le Plus Performant</p> <p>Livraison du Sous-Jacent</p> <p>Montant des Droits à Règlement Physique Equivalent</p> <p>Si les Conditions Définitives applicables stipulent que la clause Livraison du Sous-Jacent le Moins Performant, Livraison du Sous-Jacent le Plus Performant ou Livraison du Sous-Jacent s'applique, le Montant du Droit à Règlement Physique sera arrondi à la baisse à l'unité la plus proche de chaque Actif Concerné pouvant être livré et, l'Emetteur paiera, au lieu de celui-ci, un montant égal à l'Arrondi et au Montant Résiduel.</p> <p><b>Exercice Anticipé Automatique</b></p> <p>S'il survient un Cas d'Expiration Anticipée Automatique, comme spécifié dans les Conditions Définitives applicables, les Titres seront annulés pour un montant égal au Montant de Paiement en cas d'Expiration Anticipée à la Date d'Expiration Anticipée Automatique.</p> <p>Le Montant de Paiement en Cas d'Expiration Anticipé Automatique sera égal au Montant de Paiement en cas de Remboursement Anticipé Automatique spécifié dans les Conditions Définitives applicables.</p> <p><b>Formule de Paiement en cas de Remboursement Anticipé Automatique</b></p> <p>Formule de Paiement en cas de Remboursement Anticipé Automatique 2200/1</p> <p>Formule de Paiement en cas de Remboursement Anticipé Automatique 2200/2</p> <p>Formule de Paiement en cas de Remboursement Anticipé Automatique SPS</p> <p>Formule de Paiement en cas de Remboursement Anticipé du Sous-Jacent FI</p>
<b>C.19</b>	Prix de Référence Final du Sous-Jacent	Si le montant payable ou les actifs livrables lors du règlement des Titres est déterminé par référence à un ou plusieurs Sous-Jacents de Référence, le prix de référence final du Sous-Jacent de Référence sera déterminé conformément au mécanisme d'évaluation indiqué dans l'Elément C.10 et l'Elément C.18 ci-

Elément	Description de l'Elément	
		dessus, selon le cas.
<b>C.20</b>	Sous-Jacent de Référence	<p>Un ou plusieurs indices, actions, <i>global depositary receipts</i> ("<b>GDR</b>"), <i>American depositary receipts</i> ("<b>ADR</b>"), parts d'un fonds indicel coté en bourse, titres cotés en bourse, matières premières/marchandises cotées en bourse ou autres produits cotés en bourse (chacun, un "instrument coté en bourse"), titres de créance, contrats à terme sur titres de créance ou contrat d'options sur titres de créance, matières premières/marchandises, indices sur matières premières/marchandises, indices d'inflation, devises, contrats à terme sur devise, actions ou parts de fonds, indices de fonds, contrats à terme, taux d'intérêt ou taux CMS sous-jacents et/ou le crédit d'une ou plusieurs entités de référence.</p> <p>Lorsque le Sous-Jacent de Référence est un indice, les Conditions Définitives peuvent spécifier que Valorisation du Prix sur Instruments à Terme est applicable, auquel cas la valeur de l'indice sera déterminée par référence aux contrats à terme et contrats d'options concernant cet Indice et les Modalités contiendront les stipulations relatives à l'ajustement permettant de prendre en compte les événements en relation avec ces contrats à terme ou contrats d'options.</p> <p>Le ou les Sous-Jacent(s) de Référence relatif(s) à une Tranche de Titres seront spécifiés dans les Conditions Définitives applicables. Les Conditions Définitives applicables spécifieront le lieu où des informations relatives au ou aux Sous-Jacent(s) de Référence peuvent être obtenus.</p>

#### Section D – Risques

Elément	Description de l'Elément	
<b>D.2</b>	Principaux risques propres aux Emetteurs et au Garant	<p>Les acquéreurs prospectifs de Tires émis en vertu de ce Prospectus de Base devraient avoir l'expérience concernant les options et les transactions d'options et devraient comprendre les risques des transactions impliquant les Titres. Un investissement dans les Titres présente certains risques qui devraient être pris en considération avant qu'une décision d'investissement soit prise. Il existe certains facteurs pouvant affecter la capacité de l'Emetteur à remplir ses engagements en vertu des Titres ou la capacité du Garant à remplir ses engagements en vertu de la Garantie (dans le cas de Titres émis par BNPP B.V.), dont certains sont en dehors de son contrôle. Plus particulièrement, l'Emetteur (et le Garant dans le cas de Titres émis par BNPP B.V.), ensemble avec le Groupe BNPP, est exposé aux risques inhérents à ses activités, telle que décrits ci-dessous :</p> <p><b><i>Emetteurs</i></b></p> <p><b>BNPP</b></p>

Elément	Description de l'Elément	
		<p>Il existe certains facteurs pouvant affecter la capacité de l'Emetteur à remplir ses engagements en vertu des Titres émis dans le cadre de ce Prospectus de Base et, s'il y a lieu, celle du Garant à remplir ses obligations en vertu de la Garantie.</p> <p>Huit principaux risques, tels que définis dans la version anglaise du document de référence et rapport financier annuel 2016, sont inhérents aux activités de BNPP :</p> <p>(1) <i>Risque de crédit</i> – le risque de crédit est défini comme la conséquence liée à la probabilité que l'emprunteur ou une contrepartie ne remplisse pas ses obligations conformément aux conditions convenues. L'évaluation de cette probabilité de défaut et du taux de recouvrement du prêt ou de la créance en cas de défaut est un élément essentiel de l'évaluation de la qualité du crédit ;</p> <p>(2) <i>Titrisation en portefeuille bancaire</i> – La titrisation est une opération ou un montage par lequel le risque de crédit associé à une exposition ou à un ensemble d'expositions est subdivisé en tranches, et qui présente les caractéristiques suivantes :</p> <ul style="list-style-type: none"> <li>• les paiements effectués dans le cadre de l'opération ou du montage dépendent de la performance de l'exposition ou de l'ensemble d'expositions d'origine ;</li> <li>• la subordination des tranches détermine la répartition des pertes pendant la durée du transfert de risque.</li> </ul> <p>Tout engagement pris dans le cadre d'une structure de titrisation (y compris les dérivés et les lignes de liquidité) est considéré comme une exposition de titrisation. L'essentiel de ces engagements est en portefeuille bancaire prudentiel ;</p> <p>(3) <i>Risque de contrepartie</i> – Le risque de contrepartie est la manifestation du risque de crédit à l'occasion d'opérations de marché, d'investissements, et/ou de règlements. Ces opérations comprennent les contrats bilatéraux, c'est-à-dire de gré à gré (<i>over-the-counter</i> – OTC) ainsi que les contrats compensés auprès d'une chambre de compensation. Le montant de ce risque varie au cours du temps avec l'évolution des paramètres de marché affectant la valeur potentielle future des transactions concernées.</p> <p>Il correspond au risque que la contrepartie ne puisse pas honorer ses obligations de verser à la Banque l'intégralité de la valeur actualisée des flux d'une transaction dans le cas où la Banque est un bénéficiaire net. Le risque de contrepartie est également lié au coût de remplacement d'un instrument dérivé en cas de défaut de la contrepartie. Il peut être considéré comme un risque de marché en</p>

Elément	Description de l'Elément	
		<p>cas de défaut ou comme un risque contingent. Le risque de contrepartie résulte à la fois des activités bilatérales de BNP Paribas avec ses clients et des activités de clearing au travers d'une chambre de compensation ou d'un compensateur externe.</p> <p>(4) <i>Risque de marché</i> – Le risque de marché est le risque de perte de valeur provoqué par une évolution défavorable des prix ou des paramètres de marché, que ces derniers soient directement observables ou non.</p> <p>Les paramètres de marché observables sont, sans que cette liste soit exhaustive, les taux de change, les cours des valeurs mobilières et des matières premières négociables (que le prix soit directement coté ou obtenu par référence à un actif similaire), le prix de dérivés ainsi que tous les paramètres qui peuvent être induits de ceux-là, comme les taux d'intérêt, les marges de crédit, les volatilités ou les corrélations implicites ou d'autres paramètres similaires.</p> <p>Les paramètres non observables sont ceux fondés sur des hypothèses de travail comme les paramètres contenus dans les modèles ou basés sur des analyses statistiques ou économiques qui ne sont pas vérifiables sur le marché.</p> <p>Dans les portefeuilles de négoce obligataire, les instruments de crédit sont valorisés sur la base des taux obligataires et des marges de crédit, lesquels sont considérés comme des paramètres de marché au même titre que les taux d'intérêt ou les taux de change. Le risque sur le crédit de l'émetteur de l'instrument est ainsi un composant du risque de marché, appelé risque émetteur.</p> <p>L'absence de liquidité est un facteur important de risque de marché. En cas de restriction ou de disparition de la liquidité, un instrument ou un actif marchand peut ne pas être négociable ou ne pas l'être à sa valeur estimée, par exemple du fait d'une réduction du nombre de transactions, de contraintes juridiques ou encore d'un fort déséquilibre de l'offre et de la demande de certains actifs.</p> <p>Le risque relatif aux activités bancaires recouvre le risque de perte sur les participations en actions d'une part, et le risque de taux et de change relatifs aux activités d'intermédiation bancaire d'autre part ;</p> <p>(5) <i>Risque de liquidité</i> – Le risque de liquidité est le risque que BNPP ne puisse pas honorer ses engagements ou dénouer ou compenser une position en raison de la situation du marché ou de facteurs idiosyncratiques (i.e. spécifiques à BNP Paribas), dans un délai déterminé et à un coût raisonnable.</p> <p>Le risque de liquidité traduit le risque de ne pas pouvoir faire face à des flux nets sortants de trésorerie y compris liés à des besoins en</p>

Elément	Description de l'Elément	
		<p>collatéral, sur l'ensemble des horizons du court terme au long terme.</p> <p>Ce risque peut provenir de la diminution de sources de financement, de tirages sur des engagements de financement, de la réduction de liquidité de certains actifs, de l'augmentation des appels de marge en cash ou en collatéral. Il peut être lié à l'établissement lui-même (risque de réputation) ou à des facteurs extérieurs (risques sur certains marchés).</p> <p>Le risque de liquidité du Groupe BNPP est suivi dans le cadre d'une politique de liquidité globale validée par le Comité ALM du Groupe BNPP. Celle-ci repose sur des principes de gestion définis pour s'appliquer en situation courante et en situation de crise. La situation de liquidité du Groupe BNPP est évaluée à partir d'indicateurs internes et de ratios réglementaires.</p> <p>(6) <i>Risque opérationnel</i> – Le risque opérationnel est le risque de perte résultant de processus internes défaillants ou inadéquats ou d'événements externes, qu'ils soient de nature délibérée, accidentelle ou naturelle. Sa gestion repose sur l'analyse de l'enchaînement cause – événement – effet.</p> <p>Les processus internes sont notamment ceux impliquant le personnel et les systèmes informatiques. Les inondations, les incendies, les tremblements de terre, les attaques terroristes sont des exemples d'événements externes. Les événements de crédit ou de marché comme les défauts ou les changements de valeur n'entrent pas dans le champ d'analyse du risque opérationnel.</p> <p>Le risque opérationnel recouvre la fraude, les risques en lien avec les ressources humaines, les risques juridiques, les risques de non-conformité, les risques fiscaux, les risques liés aux systèmes d'information, la fourniture de services financiers inappropriés (<i>conduct risk</i>), les risques de défaillance des processus opérationnels y compris les processus de crédit, ou l'utilisation d'un modèle (risque de modèle), ainsi que les conséquences pécuniaires éventuelles liées à la gestion du risque de réputation ;</p> <p>(7) <i>Risque de non-conformité et de réputation</i> – Le risque de non-conformité est défini dans la réglementation française comme le risque de sanction judiciaire, administrative ou disciplinaire, de perte financière significative ou d'atteinte à la réputation, qui naît du non-respect de dispositions propres aux activités bancaires et financières, qu'elles soient de nature législative ou réglementaire, nationales ou européennes directement applicables ou qu'il s'agisse de normes professionnelles et déontologiques, ou d'instructions de l'organe exécutif prises, notamment, en application des orientations de l'organe de surveillance.</p>

Elément	Description de l'Elément	
		<p>Par définition, ce risque est un sous-ensemble du risque opérationnel. Cependant, certains impacts liés au risque de non-conformité peuvent représenter davantage qu'une pure perte de valeur économique et peuvent nuire à la réputation de l'établissement. C'est pour cette raison que BNPP traite le risque de non-conformité en tant que tel.</p> <p>Le risque de réputation est le risque d'atteinte à la confiance que portent à l'entreprise ses clients, ses contreparties, ses fournisseurs, ses collaborateurs, ses actionnaires, ses superviseurs ou tout autre tiers dont la confiance, à quelque titre que ce soit, est une condition nécessaire à la poursuite normale de l'activité.</p> <p>Le risque de réputation est essentiellement un risque contingent à tous les autres risques encourus par BNPP ;</p> <p>(8) <i>Risque de de souscription d'assurance</i> – BNP Paribas Cardif est exposé aux risques suivants :</p> <p>le risque de marché, risque de pertes de valeur liées aux mouvements défavorables des marchés financiers. Ces mouvements défavorables se reflètent notamment par des variations de prix (taux de change, obligations, actions et commodités, produits dérivés, immobilier, etc.) et résultent de fluctuations des taux d'intérêt, des spreads, des volatilités ou des corrélations ;</p> <p>le risque de crédit, risque de pertes liées à la qualité de crédit des émetteurs de titres, des contreparties ou de tout autre débiteur auquel la société est exposée. Parmi les débiteurs, les risques associés aux instruments financiers (y compris les banques dans lesquelles la société détient des dépôts) et les risques associés à des créances liées à l'activité d'assurance (collecte des primes, soldes de réassurance, etc.) sont distingués en deux catégories : le risque de crédit d'actifs et le risque de crédit de passifs ;</p> <p>le risque de souscription, risque de pertes de valeur liées aux fluctuations soudaines et imprévues des prestations. Selon le type d'activité (vie, non vie), il résulte d'évolutions statistiques, macroéconomiques ou comportementales ainsi que de la survenance de phénomènes liés à la santé publique ou à des catastrophes ;</p> <p>le risque opérationnel est le risque de pertes résultant de l'inadéquation ou la défaillance des processus internes, des défaillances informatiques ou d'événements extérieurs, accidentels ou naturels. Ces événements extérieurs comprennent les événements d'origine humaine et ceux d'origine naturelle.</p> <p>(a) Des conditions macroéconomiques et de marché difficiles ont eu et pourraient continuer à avoir un effet défavorable significatif sur les</p>



Elément	Description de l'Elément	
		<p>conditions dans lesquelles évoluent les établissements financiers et en conséquence sur la situation financière, les résultats opérationnels et le coût du risque de BNPP.</p> <p>(b) Le référendum au Royaume-Uni sur la sortie de l'Union européenne pourrait générer des incertitudes significatives, de la volatilité et des changements importants sur les marchés économiques et financiers européens et mondiaux et avoir alors un effet défavorable sur l'environnement dans lequel la BNPP évolue.</p> <p>(c) Du fait du périmètre géographique de ses activités, BNPP pourrait être vulnérable aux contextes ou circonstances politiques, macroéconomiques ou financiers d'une région ou d'un pays.</p> <p>(d) L'accès de BNPP au financement et les coûts de ce financement pourraient être affectés de manière défavorable en cas de résurgence des crises financières, de détérioration des conditions économiques, de dégradation de notation, d'accroissement des <i>spreads</i> de crédit des États ou d'autres facteurs.</p> <p>(e) Toute variation significative des taux d'intérêt est susceptible de peser sur les revenus ou sur la rentabilité de BNPP.</p> <p>(f) Un environnement prolongé de taux d'intérêt bas comporte des risques systémiques inhérents et la sortie d'un tel environnement comporte également des risques.</p> <p>(g) La solidité financière et le comportement des autres institutions financières et acteurs du marché pourraient avoir un effet défavorable sur BNPP.</p> <p>(h) Les fluctuations de marché et la volatilité exposent BNPP au risque de pertes substantielles dans le cadre de ses activités de marché et d'investissement.</p> <p>(i) Les revenus tirés des activités de courtage et des activités générant des commissions sont potentiellement vulnérables à une baisse des marchés.</p> <p>(j) Une baisse prolongée des marchés peut réduire la liquidité et rendre plus difficile la cession d'actifs. Une telle situation peut engendrer des pertes significatives.</p> <p>(k) Des mesures législatives et réglementaires prises ces dernières années, en particulier en réponse à la crise financière mondiale pourraient affecter de manière substantielle BNPP ainsi que l'environnement financier et économique dans lequel elle opère.</p> <p>(l) BNPP est soumise à une réglementation importante et fluctuante dans les juridictions où elle exerce ses activités.</p>

Elément	Description de l'Elément	
		<p>(m) En cas de non-conformité avec les lois et règlements applicables, BNPP pourrait être exposée à des amendes significatives et d'autres sanctions administratives et pénales, et pourrait subir des pertes à la suite d'un contentieux privé, en lien ou non avec ces sanctions.</p> <p>(n) Risques liés à la mise en œuvre des plans stratégiques de BNPP.</p> <p>(o) BNPP pourrait connaître des difficultés relatives à l'intégration des sociétés acquises et pourrait ne pas réaliser les bénéfices attendus de ses acquisitions.</p> <p>(p) Une intensification de la concurrence, par des acteurs bancaires et non bancaires, pourrait peser sur ses revenus et sa rentabilité.</p> <p>(q) Toute augmentation substantielle des provisions ou tout engagement insuffisamment provisionné pourrait peser sur les résultats et sur la situation financière de BNPP.</p> <p>(r) Les politiques, procédures et méthodes de gestion du risque mises en œuvre par BNPP pourraient l'exposer à des risques non identifiés ou imprévus, susceptibles d'occasionner des pertes significatives.</p> <p>(s) Les stratégies de couverture mises en place par BNPP n'écartent pas tout risque de perte.</p> <p>(t) Des ajustements apportés à la valeur comptable des portefeuilles de titres et d'instruments dérivés de BNPP ainsi que de la dette de BNPP pourraient avoir un effet sur son résultat net et sur ses capitaux propres.</p> <p>(u) Les changements attendus des principes comptables relatifs aux instruments financiers pourraient avoir un impact sur le bilan de BNPP ainsi que sur les ratios réglementaires de fonds propres et entraîner des coûts supplémentaires.</p> <p>(v) Tout préjudice porté à la réputation de BNPP pourrait nuire à sa compétitivité.</p> <p>(w) Toute interruption ou défaillance des systèmes informatiques de BNPP, pourrait provoquer des pertes significatives d'informations relatives aux clients, nuire à la réputation de BNPP et provoquer des pertes financières.</p> <p>(x) Des événements externes imprévus pourraient provoquer une interruption des activités de BNPP et entraîner des pertes substantielles ainsi que des coûts supplémentaires.</p> <p><b>BNPP B.V.</b></p> <p>Les risques principaux décrits au-dessus relativement à BNPP constituent</p>

Elément	Description de l'Elément	
		<p>également les risques principaux pour BNPP B.V., soit en qualité d'entité individuelle ou en tant que société du Groupe BNPP.</p> <p><i>Risque de dépendance</i></p> <p>BNPP B.V. est une société opérationnelle. Les actifs de BNPP B.V. sont constitués des obligations des entités du Groupe BNPP. La capacité de BNPP B.V. à remplir ses propres obligations dépendra de la capacité des autres entités du Groupe BNPP à remplir les leurs. En ce qui concerne les titres qu'il émet, la capacité que BNPP B.V. a de remplir ses obligations en vertu de ces titres dépend de paiements qui lui sont dus au titre de certains contrats de couverture qu'il conclut avec d'autres entités du Groupe BNPP. En conséquence, les Titulaires de titres émis par BNPP B.V. bénéficieront des stipulations de la Garantie émise par BNPP, seront exposés à la capacité des entités du Groupe BNPP à remplir leurs obligations dans le cadre de ces contrats de couverture.</p> <p><i>Risque de marché</i></p> <p>BNPP B.V. est exposé aux risques de marché résultant de positions prises sur les taux d'intérêts, les taux de change, les matières premières et les produits sur actions, tous étant exposés aux fluctuations générales et spécifiques liées aux marchés. Cependant, ces risques sont couverts par des contrats d'option et d'échange de conditions d'intérêts et sont par conséquent et en principe réduits.</p> <p><i>Risque de crédit</i></p> <p>BNPP B.V. est exposé à une concentration de risque de crédit significative étant donné que tous les contrats financiers de gré à gré sont conclus avec sa maison-mère et d'autres entités du Groupe BNPP. Prenant en compte l'objectif et les activités de BNPP B.V. et le fait que sa maison-mère soit sous la supervision de la Banque Centrale Européenne et de l'Autorité de contrôle prudentiel et de résolution, la direction considère ces risques comme acceptables. La dette senior à long terme de BNP Paribas est notée (A) par Standard &amp; Poor's et (A1) par Moody's.</p> <p><i>Risque de liquidité</i></p> <p>BNPP B.V. a une exposition significative au risque de liquidité. Pour réduire cette exposition, BNPP B.V. a conclu des conventions de compensation avec sa maison-mère et les autres entités du Groupe BNPP.</p> <p><b>Garant</b></p> <p><b>BNPP</b></p> <p>Pour BNPP, se référer aux informations ci-dessus.</p>
<b>D.3</b>	Principaux risques	En plus des risques (y compris le risque de défaut) qui peuvent affecter la

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	propres aux Titres	<p>capacité de l'Emetteur de satisfaire à ses obligations en vertu des Titres ou la capacité du Garant pour exécuter ses obligations en vertu de la Garantie, certains facteurs sont considérés comme matériels dans le cadre de risques associés aux Titres émis en vertu du présent Prospectus de Base, notamment :</p> <p><i>Risques de Marché:</i></p> <p>(i) les Titres (autres que les Titres Assortis de Sûretés) sont des titres non assortis de sûretés,</p> <p>(ii) les Titres incluant un effet de levier impliquent un niveau de risque plus élevé et, en cas de pertes sur ces Titres, ces pertes peuvent être supérieures à ceux d'un titre similaire qui n'inclut aucun effet de levier ;</p> <p>(iii) les Warrants Bull and Bear (Formule de Paiement ETS 2300/1) sont destinés à une négociation à court terme ou intra journalière, car ils sont évalués sur la base de leur performance journalière globale ;</p> <p>(iv) le cours de négociation des Titres est affecté par plusieurs facteurs, y compris, mais sans caractère limitatif, (concernant les Titres liés à un Sous-Jacent de Référence) le cours du ou des Sous-Jacent(s) de Référence, la durée restant à courir jusqu'à son expiration et la volatilité, et ces facteurs signifient que le cours de négociation des Titres peut être inférieur au Montant de Règlement en Numéraire ou à la valeur des Droits à Règlement Physique,</p> <p>(v) dans de nombreux cas, l'exposition au Sous-Jacent de Référence découlera du fait que l'Emetteur concerné conclut des accords de couverture et, en ce qui concerne les Titres indexés sur un Sous-Jacent de Référence, les investisseurs potentiels sont exposés à la performance de ces accords de couverture et aux événements pouvant affecter ces accords, et, par conséquent, la survenance de l'un ou l'autre de ces événements peut affecter la valeur des Titres ;</p> <p>(vi) la garantie associée à une ou plusieurs souche(s) de Titres Assortis de Sûretés peut être insuffisante à retirer le risque de crédit d'un Titulaire, sur l'Emetteur ;</p> <p>(vii) il existe des risques spécifiques liés à des Titres indexés sur un Sous-Jacent de Référence provenant d'un marché émergent ou en développement (y compris, sans caractère limitatif, les risques liés à l'incertitude politique et économique, des politiques gouvernementales défavorables, des restrictions en matière d'investissement étranger et de convertibilité monétaire, des fluctuations des taux de change, le risque lié à des niveaux d'information et de réglementation plus faibles, des incertitudes à propos du statut, de l'interprétation et de l'application des lois, des frais de garde accrus, des difficultés administratives et une plus forte probabilité de survenance d'un cas de perturbation ou d'ajustement). Les Titres négociés sur des marchés émergents ou en voie de développement tendent à être moins liquides et leurs cours plus volatiles. Il existe également des risques spécifiques liés aux titres</p>

Elément	Description de l'Elément	
		<p>dynamiques, qui sont intrinsèquement plus complexes, ce qui rend leur évaluation difficile en termes de risque à la date d'achat et après.</p> <p><i>Risques liés aux Titulaires</i></p> <p>(viii) les Titres peuvent être soumis à un montant de négociation minimum ; en conséquence, si un Titulaire détient, à la suite du transfert de Titres quelconques, un montant de Titres inférieur au montant de négociation minimum ainsi spécifié, ce Titulaire ne sera pas autorisé à transférer ses Titres restants avant l'expiration sans acheter préalablement un nombre de Titres additionnels suffisant pour détenir le montant de négociation minimum ;</p> <p>(ix) des limitations relatives à l'exercice des Titres peut impliquer qu'un Titulaire pourrait ne pas pouvoir exercer les Titres à une date souhaitée lorsque l'Emetteur a l'option de limiter le nombre de Titres pouvant faire l'objet d'un exercice à une date ou qu'il serait obligé de vendre ou acheter des Warrants (ceci pouvant impliquer des coûts de transaction dans chaque cas) afin de procéder à l'exercice lorsqu'un nombre minimum de Titres doit être exercé ;</p> <p>(x) des changements sur le Montant en Règlement en Numéraire entre le moment où le Titulaire a donné ses instructions quant à l'exercice et la détermination du Montant en Règlement en Numéraire peuvent réduire le Montant en Règlement en Numéraire;</p> <p>(xi) ; les clauses relatives aux assemblées générales des Titulaires permettent à des majorités définies de lier tous les Titulaires;</p> <p>(xii) dans certaines circonstances, les investisseurs risquent de perdre tout leur investissement ;</p> <p><i>Risques liés à l'Emetteur/au Garant :</i></p> <p>(xiii) si les Conditions Définitives en disposent ainsi, l'Emetteur peut choisir de modifier le règlement des Titres ;</p> <p>(xiv) une réduction de la notation (éventuelle) accordée aux titres d'emprunt en circulation de l'Emetteur ou du Garant (s'il y a lieu) par une agence de notation de crédit pourrait entraîner une réduction de la valeur de négociation des Titres ;</p> <p>(xv) certains conflits d'intérêts peuvent surgir (voir Elément E.4 ci-dessous) ;</p> <p>(xvi) dans certaines circonstances (incluant, sans limitation, en conséquence de restrictions sur la convertibilité et/ou de restrictions de transferts) il peut ne pas être possible pour l'Emetteur d'effectuer les paiements relatifs aux Titres dans la Devise de Règlement telle que précisée dans les Conditions Définitives. Dans ces situations, le paiement du principal et/ ou des intérêts peut intervenir à un moment différent de celui attendu et être effectué en Dollars américains et la valeur de marché d'un tel Titre peut être volatile ;</p>

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		<p><i>Risques Juridiques :</i></p> <p>(xvii) le règlement peut être différé à la suite de la survenance ou de l'existence d'un Cas de Perturbation du Règlement et, dans ces cas, l'Emetteur peut payer un Prix de Règlement en Numéraire à la suite d'un Cas de Perturbation (qui peut être inférieur à la juste valeur de marché des Droits à Règlement Physique) au lieu de livrer les Droits à Règlement Physique,</p> <p>(xviii) la survenance d'un cas de perturbation additionnel ou d'un cas de perturbation additionnel optionnel peut conduire à un ajustement des Titres, ou à une annulation ou peut avoir pour conséquence que le montant payable à la date du règlement prévue soit différent de celui qui devrait être payé à ladite date du règlement prévue, de telle sorte que la survenance d'un cas de perturbation additionnel et/ou d'un cas de perturbation additionnel optionnel peut avoir un effet défavorable sur la valeur ou la liquidité des Titres ;</p> <p>(xix) dans certaines circonstances, le règlement peut être reporté ou les paiements effectués en Dollars américains si la Devise de Règlement spécifiée dans les Conditions Définitives applicables n'est pas librement transférable, convertible ou livrable ;</p> <p>(xx) des frais et impôts peuvent être payables sur les Titres ;</p> <p>(xxi) les Titres peuvent être annulés en cas d'illégalité ou autre impossibilité pratique, et cette annulation peut avoir pour conséquence qu'un investisseur ne réalise aucun retour sur son investissement dans les Titres ;</p> <p>(xxii) toute décision judiciaire, tout changement de la pratique administrative ou tout changement de la loi anglaise ou de la loi française, selon le cas, intervenant après la date du Prospectus de Base, pourrait avoir un impact défavorable significatif sur la valeur des Titres ainsi affectés ;</p> <p>(xxiii) dans certaines circonstances au début d'une période d'offre relative à des Titres mais préalablement à la date d'émission, certaines informations spécifiques (plus particulièrement le prix d'émission, le Gearing appliqué à la Formule de Paiement Final, le Gearing Up appliqué à la Formule de Paiement Final, (dans le cas des Titres Autocall, des Titres Autocall One Touch ou des Titres Autocall Standard) le composant Taux de FR Exit de la Formule de Paiement Final (qui sera payable si certaines conditions sont remplies, tel que précisé dans les Modalités relatives aux Formules de Paiement Final), le Taux AER Exit utilisé si un Evénement d'Expiration Anticipée Automatique se produit, le Coupon Bonus composant de la Formule de Paiement Final (dans le cas de Titres Vanilla Digital), la composante Up Cap Percentage de la Formule de Paiement Final (dans le cas de Titres Certi plus: Generic, de Titres Certi-Plus: Generic Knock-in et de Titres Certi-Plus: Generic Knock-out), tout Pourcentage Constant (étant l'un des Pourcentage Constant, Pourcentage Constant 1, Pourcentage Constant 2, Pourcentage Constant 3 ou Pourcentage Constant 4) composant de la Formule de Paiement Final (qui</p>

Elément	Description de l'Elément	
		<p>sera payable si certaines conditions sont remplies, tel que précisé dans les Modalités relatives aux Formules de Paiement Final), et/ou le Niveau Knock-in et/ou le Niveau Knock-out utilisé pour s'assurer si un Evènement Knock-In ou un Evènement Knock-out, selon le cas, est survenu) pourraient ne pas être connus mais les Conditions Définitives indiqueront une fourchette indicative. Dans ces circonstances, les investisseurs potentiels devront prendre leur décision d'investissement dans les Titres sur la base de cette fourchette avant que le prix d'émission, le Gearing définitif, le Gearing Up définitif, le Taux FR Exit définitif, le Taux AER définitif, le Coupon Bonus définitif, l'Up Cap Percentage définitif, tout pourcentage constant définitif, le Knock-in Level définitif et/ou le Knock-out Level définitif, selon le cas, qui s'appliqueront aux Titres leur soient notifiés. La notification des taux, niveaux ou pourcentages définitifs, selon le cas, sera publiée de la même manière que les Conditions Définitives.</p> <p><i>Risques liés au marché secondaire</i></p> <p>(xxiv) le seul moyen permettant à un Titulaire de réaliser la valeur d'un Titre avant sa Date d'Exercice consiste à le vendre à son cours de marché au moment considéré sur un marché secondaire disponible, et il peut n'y avoir aucun marché secondaire pour les Titres (ce qui pourrait signifier qu'un investisseur doit attendre jusqu'à l'exercice des Titres pour réaliser une valeur supérieure à sa valeur de négociation) ;</p> <p>(xxv) un marché secondaire actif ne peut jamais être établi ou peut être non liquide, ce qui peut nuire à la valeur à laquelle un investisseur pourrait vendre ses Titres (les investisseurs pourraient subir une perte partielle ou totale du montant de leur investissement) ;</p> <p>(xxvi) pour certaines émissions de Titres, BNP Paribas Arbitrage S.N.C. est tenue d'agir comme teneur de marché. Dans ces circonstances, BNP Paribas Arbitrage S.N.C. s'efforcera de maintenir un marché secondaire pendant toute la durée de vie des Titres, sous réserve des conditions normales de marché et soumettra au marché des cours acheteur et des cours vendeur. L'écart (<i>spread</i>) entre le cours acheteur et le cours vendeur peut évoluer durant la durée de vie des Titres. Néanmoins, durant certaines périodes il peut être difficile, irréalisable ou impossible pour BNP Paribas Arbitrage S.N.C. de coter des prix "bid" et "offer" et en conséquence il peut être difficile, irréalisable ou impossible d'acheter ou vendre ces Titres durant ces périodes. Cela peut être dû, par exemple, à des conditions défavorables sur le marché, à des prix volatiles ou à des fluctuations importantes du prix, à la fermeture d'une place financière importante ou à des problèmes techniques, tels que la défaillance ou le dysfonctionnement d'un système informatique ou celui d'un réseau internet ;</p> <p><i>Risques relatifs au(x) Sous-Jacent(s) de Référence</i></p> <p>En outre, il existe des risques spécifiques liés aux Titres qui sont indexés sur</p>

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		<p>un Sous-Jacent de Référence (y compris des Titres Hybrides), et un investissement dans ces Titres entraînera des risques significatifs que ne comporte pas un investissement dans un titre de créance conventionnel. Les facteurs de risque liés aux Titres indexés sur un Sous-Jacent de Référence incluent :</p> <p>(i) dans le cas de Titres Indexés sur Indice : l'exposition à un ou plusieurs indices, un cas d'ajustement et de perturbation du marché ou le défaut d'ouverture d'une bourse, qui peuvent avoir un effet défavorable sur la valeur de la liquidité des Titres ;</p> <p>(ii) dans le cas de Titres Indexés sur Action : l'exposition à une ou plusieurs actions, des risques de marché similaires à ceux liés à un investissement direct dans un titre de capital, <i>global depositary receipt</i> ("<b>GDR</b>") ou <i>American depositary receipt</i> ("<b>ADR</b>"), des cas d'ajustement potentiels ou des événements exceptionnels affectant les actions, un dérèglement du marché ou le défaut d'ouverture d'une bourse, qui peuvent avoir un effet défavorable sur la valeur et la liquidité des Titres ;</p> <p>(iii) dans le cas de Titres Indexés sur Matières Premières/Marchandises : l'exposition à une ou plusieurs matières premières/marchandises et/ou à un indice sur matières premières/marchandises, des risques de marchés similaires à ceux d'un investissement direct dans une matière première/marchandise, et des cas de dérèglement du marché et d'ajustement qui peuvent avoir un effet défavorable sur la valeur ou la liquidité des Titres, des retards dans la détermination du niveau final d'un indice sur matières premières/marchandises provoquant des retards de paiement du Montant de Règlement en Numéraire;</p> <p>(iv) dans le cas de Titres Indexés sur ETI : l'exposition à une ou plusieurs parts dans un fonds indiciel coté en bourse, un titre coté en bourse, une matière première/marchandise cotée en bourse ou tout autre produit coté en bourse (chacun, un "<b>instrument coté en bourse</b>" (« ETI »)), des risques similaires à ceux d'un investissement direct dans un instrument coté en bourse, le fait que le montant payable sur des Titres Indexés sur ETI peut être inférieur et, dans certaines circonstances, significativement inférieur au rendement d'un investissement direct dans le ou les ETI concerné(s), des cas d'ajustement potentiel ou des événements exceptionnels affectant les instruments cotés en bourse, un cas de dérèglement du marché ou le défaut d'ouverture d'une bourse peuvent avoir un effet défavorable sur la valeur et la liquidité des Titres ;</p> <p>(v) dans le cas de Titres Indexés sur l'Inflation : l'exposition à un indice d'inflation et des ajustements ;</p> <p>(vi) dans le cas de Titres Indexés sur Devise : l'exposition à une devise, des risques de marché similaires à ceux d'un investissement direct dans une devise et un cas de dérèglement du marché ;</p>



Elément	Description de l'Elément	
		<p>(vii) dans le cas de Titres Indexés sur Fonds : l'exposition à une action, une part de fonds ou un indice de fonds, des risques similaires à ceux d'un investissement direct dans un fonds, le fait que le montant payable sur des Titres Indexés sur Fonds peut être inférieur au montant payable en cas d'investissement direct dans le ou les Fonds ou Indices de Fonds concerné(s), des événements exceptionnels concernant le fonds qui peuvent avoir un effet défavorable sur la valeur ou la liquidité des Titres ;</p> <p>(viii) dans le cas de Titres Indexés sur Contrats à Terme : l'exposition à un contrat à terme, des risques de marché similaires à ceux d'un investissement direct dans un contrat à terme, un cas de dérèglement du marché ou le défaut d'ouverture d'une bourse, qui peuvent avoir un effet défavorable sur la valeur et la liquidité des Titres ;</p> <p>(ix) dans le cas de Titres Indexés sur un Evénement de Crédit : l'exposition au risque de crédit d'une ou plusieurs entités de référence ;</p> <p>(x) dans le cas de Titres à Taux d'Intérêt Indexé sur Sous-Jacent : l'exposition à un intérêt sous-jacent ou taux CMS ;</p> <p>(xi) dans le cas de Titres Indexés sur Titres de Créance : l'exposition à un titre de créance, des risques de marché similaires à ceux d'un investissement direct en titre de créance, et un cas de dérèglement du marché ;</p> <p>(xii) dans le cas de Titres Indexés sur Titres de Créance, de Titres Indexés ou de Titres Indexés sur Devises, lorsque la clause Valorisation du Prix des Instruments à Terme (<i>Futures Price Valorisation</i>) est applicable, l'exposition aux contrats à terme ou contrats d'options liés à des instruments de dettes synthétiques (dans le cas de Titres Indexés sur Titres de Créance), un indice (dans le cas de Titres Indexés), ou un taux de change (dans le cas de Titres Indexés sur Devises), des risques de marché similaires à un investissement direct dans de tels contrats à terme ou contrats d'options et des cas de dérèglement de marché ;</p> <p>(xiii) le fait que, sauf stipulation contraire des Conditions Définitives applicables, l'Emetteur ne fournira pas d'informations post-émission sur le Sous-Jacent de Référence.</p> <p><i>Risques liés à des catégories spécifiques de produits</i></p> <p>(a) les risques suivants sont liés aux Produits ETS</p> <p>(i) Produits à Rendement Optimisé</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement de ces Titres dépend de la performance du ou des Sous-Jacent(s) de Référence, plus particulièrement en fonction du niveau d'un plafond, d'une barrière désactivante et/ou d'expirations anticipées automatiques.</p>

Elément	Description de l'Elément	
		<p>(ii) Produits de Participation</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement de ces Titres dépend de la performance du ou des Sous-Jacent(s) de Référence, plus particulièrement en fonction du niveau d'une barrière activante, d'une barrière désactivante et/ou d'expirations anticipées automatiques.</p> <p>(iii) Produits à effet de levier</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement de ces Titres dépend de la performance du ou des Sous-Jacent(s) de Référence, plus particulièrement en fonction du niveau d'une barrière activante, d'une barrière désactivante et/ou d'expirations anticipées automatiques. De plus le rendement peut dépendre d'autres facteurs de marché comme les taux d'intérêt, les volatilités implicites des Sous-Jacents de Référence et le temps restant avant l'exercice (dans le cas de Warrant de style européen). L'effet de levier sur les Titres peut être positif ou négatif.</p> <p>(iv) Produits à effet de levier Constant</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement de ces Titres dépend de la performance quotidienne du ou des Sous-Jacent(s) de Référence, et d'exercices anticipés automatiques. Les produits à effet de levier Constant sont généralement adaptés à des investissements à court terme intra journaliers ou de quelques jours ; des investissements de ce type détenus pour une période plus longue peuvent être affectés par la volatilité des conditions de marché qui peuvent avoir un impact négatif sur la performance des Sous-Jacents de Référence.</p> <p>(b) les risques suivants sont liés aux Produits SPS</p> <p>(i) Produits à pourcentage fixe</p> <p>Les investisseurs reçoivent un retour fixe sur ces Titres. Ce produit peut être utilisé en conjonction avec au moins une autre formule de paiement afin d'assurer aux investisseurs une garantie partielle ou totale du capital investi.</p> <p>(ii) Produits Reverse Convertibles</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement de ces Titres dépend de la performance du ou des Sous-Jacent(s) de Référence, et si une barrière activante survient.</p>

Elément	Description de l'Elément	
		<p>(iii) Produits Vanilla</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement de ces Titres dépend de la performance du ou des Sous-Jacent(s) de Référence et de la réalisation ou non du mécanisme de barrière activante ou désactivante ;</p> <p>(iv) Produits Asian</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement indexé sur ces Titres dépend de la performance du ou des Sous-Jacent(s) de Référence qui est déterminée par application d'une méthode utilisant les moyennes. Le rendement dépendra également de l'application ou non de certains mécanismes spécifiques tels que des plafonds ou des <i>lock-in</i>.</p> <p>(v) Produits Auto-callable</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement indexé sur ces Titres dépend de la performance du ou des Sous-Jacent(s) de Référence et de l'application ou non des mécanismes de barrière activante ou désactivante. Les Produits Auto-callable comprennent des mécanismes d'exercice anticipé automatique. En fonction de la formule applicable, si un événement d'expiration anticipé automatique se réalise, les investisseurs peuvent être exposés à une perte partielle de leur investissement.</p> <p>(vi) Produits indexés</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement indexé sur ces Titres dépend de la performance du ou des Sous-Jacent(s) de Référence et de l'application des mécanismes de barrière activante ou désactivante et/ou de l'expiration anticipé automatique. En fonction de la formule applicable, si un événement d'expiration anticipé automatique se réalise, les investisseurs peuvent être exposés à une perte partielle de leur investissement.</p> <p>(vii) Produits Ratchet</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement indexé sur ces Titres dépend de la performance du ou des Sous-Jacent(s) de Référence et, est calculé sur la base de la somme des rendements déterminée par l'application d'une formule spécifique (qui peut être limité par un plafond et/ou un plancher).</p>

Elément	Description de l'Elément	
		<p>(viii) Produits Sum</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement indexé sur ces Titres dépend de la performance du ou des Sous-Jacent(s) de Référence et, est calculé sur la base de la somme pondérée des rendements déterminée par l'application de différentes formules de paiement.</p> <p>(ix) Produits Options Max</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement indexé sur ces Titres dépend de la performance du ou des Sous-Jacent(s) de Référence et, est calculé sur la base du rendement maximum déterminé par l'application de différentes formules de paiement final.</p> <p>(x) Produits Stellar</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement indexé aux Titres dépend de la performance d'un panier de Sous-Jacents de Référence et, est calculé sur la base d'une moyenne des rendements de chaque Sous-Jacent de Référence dans le panier (qui peut être limitée par un plafond ou un plancher).</p> <p>(xi) Produits Driver</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement indexé sur ces Titres dépend de la performance d'un panier de Sous-Jacents de Référence. Le rendement est déterminé par référence au rendement moyen du panier, où la performance du ou des Sous-Jacents de Référence ayant la meilleure performance est fixée à un niveau déterminé.</p> <p>(b) Les risques suivants sont liés aux Produits FI</p> <p>(i) Produits Vanilla</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement indexé sur ces Titres dépend de la performance du ou des Sous-Jacents de Référence et de l'application ou non des mécanismes de barrière activante ou désactivante.</p> <p>(ii) Produits Digital</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement indexé sur ces Titres est fixe mais sera soumis à la performance du ou des Sous-Jacents de</p>

Elément	Description de l'Elément	
		<p>Référence. Le rendement est calculé par référence à divers mécanismes (y compris des mécanismes de plancher ou de plafond et de barrière activante ou désactivante).</p> <p>(iii) Produits Inflation</p> <p>Les Produits Inflation ont un capital protégé. Le rendement indexé sur ces Titres dépend de la performance du ou des Sous-Jacents de Référence.</p> <p>Des risques supplémentaires s'attachant à une émission de Titres décrits dans la section « Facteurs de Risque » du Prospectus de Base peuvent être résumés dans le résumé spécifique de l'émission annexé aux Conditions Définitives applicables.</p>
<b>D.6</b>	Avertissement sur les Risques	<p>Voir Elément D.3 ci-dessus.</p> <p>En cas d'insolvabilité de l'Emetteur ou si ce dernier est autrement incapable de rembourser les Titres ou n'est pas disposé à les rembourser à leur échéance, un investisseur peut perdre tout ou partie de son investissement dans les Titres. Si les Titres sont garantis et si le Garant est dans l'incapacité de remplir ses obligations en vertu de la Garantie à leur échéance, ou n'est pas disposé à les remplir, un investisseur peut perdre tout ou partie de son investissement dans les Titres. En outre, dans le cas de Titres indexés sur un Sous-Jacent de Référence, les investisseurs peuvent perdre tout ou partie de leur investissement dans les Titres en conséquence de l'application des modalités des Titres.</p>

### Section E - Offre

Elément	Description de l'Elément	
<b>E.2b</b>	Raisons de l'offre et utilisation du produit de celle-ci	<p>Les produits nets de l'émission des Titres seront affectés aux besoins généraux de financement de l'Emetteur. Ces produits pourront être utilisés pour maintenir des positions sur des contrats d'options ou des contrats à terme ou d'autres instruments de couverture.</p>
<b>E.3</b>	Modalités et conditions de l'offre	<p>Les titres émis en vertu de ce Prospectus de Base peuvent être offerts au public dans le cadre d'une Offre Non-exemptée en Belgique, au Danemark, en Finlande, en France, en Italie, au Luxembourg, en Norvège, au Portugal, en Espagne et en Suède.</p> <p>Les modalités et conditions de chaque offre de Titres seront déterminées d'un commun accord entre l'Emetteur et les Agents Placeurs concernés à la date de l'émission et spécifiées dans les Conditions Définitives applicables. Un</p>

Elément	Description de l'Elément	
		Investisseur qui a l'intention d'acquérir ou qui acquiert des Titres dans le cadre d'une Offre Non-exemptée auprès d'un Offreur Autorisé le fera, et les offres et ventes de tels titres à un Investisseur par cet Offreur Autorisé se feront conformément aux conditions et autres modalités en place entre cet Offreur Autorisé et l'Investisseur en question, notamment en ce qui concerne le prix, les attributions et les conditions de règlement.
<b>E.4</b>	Intérêt de personnes physiques et morales pouvant influencer sur l'émission/l'offre	<p>Les Agents Placeurs concernés peuvent recevoir des commissions en relation avec toute émission de Titres dans le cadre de ce Prospectus de Base. Ces Agents Placeurs et leurs affiliés peuvent également avoir conclu et pourront conclure à l'avenir des opérations de banque d'investissement et/ou de banque commerciale avec l'Emetteur et le Garant (éventuel) et leurs affiliés respectifs et pourront leur fournir d'autres services dans le cadre de l'exercice de leur activité courante.</p> <p>Différentes entités du Groupe BNPP (y compris les Emetteurs et le Garant) et leurs Affiliés peuvent assumer différents rôles en relation avec les Titres, y compris celui d'Emetteur des Titres, d'Agent de Calcul des Titres, et d'émetteur, sponsor ou agent de calcul du/des Sous-Jacent(s) de Référence, et peuvent également se livrer à des activités de négociation (y compris des activités de couverture) portant sur le Sous-Jacent de Référence et d'autres instruments ou produits dérivés s'appuyant sur le Sous-Jacent de Référence ou y afférents, qui peuvent générer des conflits d'intérêts potentiels.</p> <p>L'Agent de Calcul ou l'Agent de Calcul des Sûretés peut être un Affilié de l'Emetteur ou du Garant (s'il y a lieu) concerné, et des conflits d'intérêts potentiels peuvent exister entre l'Agent de Calcul et les titulaires des Titres.</p> <p>Les Emetteurs, le Garant et leurs Affiliés peuvent également émettre d'autres instruments dérivés au titre du Sous-Jacent de Référence et peuvent agir en qualité de membre d'un syndicat de placement d'offres futures d'actions ou autres titres se rapportant à une émission de Titres, ou peuvent agir en qualité de conseiller financier de certaines sociétés ou de sociétés dont les actions ou autres titres sont inclus dans un panier, ou en qualité de banque commerciale pour ces sociétés.</p> <p>En ce qui concerne les Titres Indexés sur des ETI et les Titres Indexés sur des Fonds, l'Emetteur concerné ou l'un ou plusieurs de ses Affiliés peuvent se livrer de temps à autre à des opérations avec l'ETI ou le Fonds concerné, selon le cas, ou avec des sociétés dans lesquelles un ETI ou un Fonds (selon le cas) investit, et peuvent être rémunérés pour la fourniture de ces services. Ces activités pourraient générer certains conflits d'intérêts.</p>
<b>E.7</b>	Dépenses facturées à l'investisseur par l'Emetteur	Il n'est pas prévu que l'Emetteur facture des dépenses aux investisseurs en relation avec toute émission de Titres dans le cadre de ce Prospectus de Base.

## PRO FORMA ISSUE SPECIFIC SUMMARY OF THE PROGRAMME IN RELATION TO THIS BASE PROSPECTUS<sup>1</sup>

*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[ and Guarantor]. 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[ and Guarantor(s)], it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element should be included in the summary explaining why it is not applicable.*

### Section A - Introduction and warnings

Element	Title	
A.1	Warning that the summary should be read as an introduction and provision as to claims	<ul style="list-style-type: none"> <li>• <b>This summary should be read as an introduction to the Base Prospectus and the applicable Final Terms. In this summary, unless otherwise specified and except as used in the first paragraph of Element D.3, "Base Prospectus" means the Base Prospectus of BNPP B.V. and BNPP dated 7 June 2017 as supplemented from time to time under the Note, Warrant and Certificate Programme of BNPP B.V., BNPP and BNP Paribas Fortis Funding. In the first paragraph of Element D.3, "Base Prospectus" means the Base Prospectus of BNPP B.V. and BNPP dated 7 June 2017 under the Note, Warrant and Certificate Programme of BNPP B.V., BNPP and BNP Paribas Fortis Funding.</b></li> <li>• <b>Any decision to invest in any Securities should be based on a consideration of the Base Prospectus as a whole, including any documents incorporated by reference and the applicable Final Terms.</b></li> <li>• <b>Where a claim relating to information contained in the Base Prospectus and the applicable Final Terms is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating the Base Prospectus and the applicable Final Terms before the legal proceedings are initiated.</b></li> <li>• <b>No civil liability will attach to the Issuer [or the Guarantor] in any such Member State solely on the basis of this summary, including any translation hereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus and the applicable Final Terms or, following the implementation of the relevant provisions of Directive 2010/73/EU in the relevant Member State, it does not</b></li> </ul>

<sup>1</sup> Items in square brackets in this Issue Specific Summary shall be deleted or completed as required, depending on the terms of each issue of Securities, as completed by the applicable Final Terms.

Element	Title	
		provide, when read together with the other parts of the Base Prospectus and the applicable Final Terms, key information (as defined in Article 2.1(s) of the Prospectus Directive) in order to aid investors when considering whether to invest in the Securities.
A.2	Consent as to use the Base Prospectus, period of validity and other conditions attached	<p>[Not applicable – the Securities are not being offered to the public as part of a Non-exempt Offer.]</p> <p>[<i>Consent:</i> Subject to the conditions set out below, the Issuer consents to the use of the Base Prospectus in connection with a Non-exempt Offer of Securities by the Managers[, [<i>names of specific financial intermediaries listed in final terms</i>],] [and] [each financial intermediary whose name is published on BNPP's website (<a href="https://rates-globalmarkets.bnpparibas.com/gm/Public/LegalDocs.aspx">https://rates-globalmarkets.bnpparibas.com/gm/Public/LegalDocs.aspx</a>) and identified as an Authorised Offeror in respect of the relevant Non-exempt Offer] [and any financial intermediary which is authorised to make such offers under applicable legislation implementing the Markets in Financial Instruments Directive (Directive 2004/39/EC) and publishes on its website the following statement (with the information in square brackets being duly completed with the relevant information):</p> <p>"We, [<i>insert legal name of financial intermediary</i>], refer to the offer of [<i>insert title of relevant Securities</i>] (the "<b>Securities</b>") described in the Final Terms dated [<i>insert date</i>] (the "<b>Final Terms</b>") published by [ ] (the "<b>Issuer</b>"). In consideration of the Issuer offering to grant its consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Securities in [<i>specify Member State(s)</i>] during the Offer Period and subject to the other conditions to such consent, each as specified in the Base Prospectus, we hereby accept the offer by the Issuer in accordance with the Authorised Offeror Terms (as specified in the Base Prospectus) and confirm that we are using the Base Prospectus accordingly.".]</p> <p><i>Offer period:</i> The Issuer's consent referred to above is given for Non-exempt Offers of Securities during [<i>offer period for the issue to be specified here</i>] (the "<b>Offer Period</b>").</p> <p><i>Conditions to consent:</i> The conditions to the Issuer's consent [(in addition to the conditions referred to above)] are that such consent (a) is only valid during the Offer Period; and (b) only extends to the use of the Base Prospectus to make Non-exempt Offers of the relevant Tranche of Securities in [<i>specify each Relevant Member State in which the particular Tranche of Securities can be offered</i>].</p> <p><b>AN INVESTOR INTENDING TO PURCHASE OR PURCHASING ANY SECURITIES IN A NON-EXEMPT 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 THE TERMS</b></p>



Element	Title	
		<b>AND CONDITIONS OF THE OFFER IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING ARRANGEMENTS IN RELATION TO PRICE, ALLOCATIONS, EXPENSES AND SETTLEMENT. THE RELEVANT INFORMATION WILL BE PROVIDED BY THE AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER.]</b>

#### Section B - Issuer [and Guarantor]

Element	Title	
<b>B.1</b>	Legal and commercial name of the Issuer	<p>[Insert where BNPP B.V. is the Issuer: BNP Paribas Issuance B.V. (formerly BNP Paribas Arbitrage Issuance B.V.) ("<b>BNPP B.V.</b>" or the "<b>Issuer</b>").]</p> <p>[Insert where BNPP is the Issuer: BNP Paribas ("<b>BNPP</b>", the "<b>Bank</b>" or the "<b>Issuer</b>").]</p>
<b>B.2</b>	Domicile/ legal form/ legislation/ country of incorporation	<p>[Insert where BNPP B.V. is the Issuer:</p> <p>The Issuer was incorporated in the Netherlands as a private company with limited liability under Dutch law having its registered office at Herengracht 595, 1017 CE Amsterdam, the Netherlands.]</p> <p>[Insert where BNPP is the Issuer:</p> <p>The Issuer was incorporated in France as a <i>société anonyme</i> under French law and licensed as a bank having its head office at 16, boulevard des Italiens – 75009 Paris, France.]</p>
<b>B.4b</b>	Trend Information	<p>[Insert where BNPP is the Issuer:</p> <p><b>Macroeconomic environment</b></p> <p>Macroeconomic and market conditions affect BNPP's results. The nature of BNPP's business makes it particularly sensitive to macroeconomic and market conditions in Europe, which have been at times challenging and volatile in recent years.</p> <p>In 2016, global growth stabilised slightly above 3%, despite a much lower growth in the advanced economies. Three major transitions continue to affect the global outlook: declining economic growth in China, fluctuating energy prices that rose in 2016, and a second tightening of monetary policy in the United States in the context of a resilient domestic recovery. It should be noted that the central banks of several large developed countries continue to maintain accommodative monetary policies. IMF economic forecasts for 2017<sup>2</sup> point to a recovery in global activity, no significant improvement in growth in the euro zone and Japan, and a slowdown in the United Kingdom.</p> <p>In that context, two risks can be identified:</p>

<sup>2</sup> See notably: IMF – World Economic Outlook, updated in January 2017.

Element	Title	
		<p><i>Financial instability due to the vulnerability of emerging countries</i></p> <p>While the exposure of the BNP Paribas Group to emerging countries is limited, the vulnerability of these economies may generate disruptions in the global financial system that could affect the BNP Paribas Group and potentially alter its results.</p> <p>A broad increase in the foreign exchange liabilities of the economies of many emerging market economies was observed in 2016, at a time when debt levels (in both foreign and local currency) were already high. The private sector was the main source of the increase in this debt. Furthermore, the prospect of a gradual increase in US key rates (the Federal Reserve Bank made its first increase in December 2015, and a second in December 2016) and increased financial volatility stemming from concerns about growth and mounting geopolitical risk in emerging markets have contributed to a tightening of external financial conditions, increased capital outflows, further currency depreciations in many emerging markets and heightened risks for banks. These factors could result in further downgrades of sovereign ratings.</p> <p>There is still a risk of disturbances in global markets (rising risk premiums, erosion of confidence, declining growth, deferral or slower pace of normalisation of monetary policies, declining liquidity in markets, asset valuation problems, decline in credit supply and disorderly deleveraging) that could affect all banking institutions.</p> <p><i>Systemic risks related to increased debt and market liquidity</i></p> <p>Despite the upturn since mid-2016, interest rates remain low, which may continue to encourage excessive risk-taking among some players in the financial system: increased maturities of financing and assets held, less stringent policy for granting loans, increase in leveraged financing.</p> <p>Some players (insurance companies, pension funds, asset managers, etc.) entail an increasingly systemic dimension and in the event of market turbulence (linked for instance to a sudden rise in interest rates and/or a sharp price correction) they may decide to unwind large positions in an environment of relatively weak market liquidity.</p> <p>Recent years have also seen an increase in debt (public and private) in both developed and emerging countries. The resulting risk could materialise either in the event of a spike in interest rates or a further negative growth shock.</p> <p><i>Laws and regulations applicable to financial institutions</i></p> <p>Recent and future changes in the laws and regulations applicable to financial institutions may have a significant impact on BNPP. Measures that were recently adopted or which are (or whose application measures are) still in draft format, that have or are likely to have an impact on BNPP notably include:</p> <ul style="list-style-type: none"> <li>- the structural reforms comprising the French banking law of 26 July</li> </ul>

Element	Title	
		<p>2013 requiring that banks create subsidiaries for or segregate "speculative" proprietary operations from their traditional retail banking activities, the "Volcker rule" in the US which restricts proprietary transactions, sponsorship and investment in private equity funds and hedge funds by US and foreign banks, and upcoming potential changes in Europe;</p> <ul style="list-style-type: none"> <li>- regulations governing capital: the Capital Requirements Directive IV ("<b>CRD4</b>")/the Capital Requirements Regulation ("<b>CRR</b>"), the international standard for total loss-absorbing capacity ("<b>TLAC</b>") and BNPP's designation as a financial institution that is of systemic importance by the Financial Stability Board;</li> <li>- the European Single Supervisory Mechanism and the ordinance of 6 November 2014;</li> <li>- the Directive of 16 April 2014 related to deposit guarantee systems and its delegation and implementing decrees, the Directive of 15 May 2014 establishing a Bank Recovery and Resolution framework, the Single Resolution Mechanism establishing the Single Resolution Council and the Single Resolution Fund;</li> <li>- the Final Rule by the US Federal Reserve imposing tighter prudential rules on the US transactions of large foreign banks, notably the obligation to create a separate intermediary holding company in the US (capitalised and subject to regulation) to house their US subsidiaries;</li> <li>- the new rules for the regulation of over-the-counter derivative activities pursuant to Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act, notably margin requirements for uncleared derivative products and the derivatives of securities traded by swap dealers, major swap participants, security-based swap dealers and major security-based swap participants, and the rules of the US Securities and Exchange Commission which require the registration of banks and major swap participants active on derivatives markets and transparency and reporting on derivative transactions;</li> <li>- the new Markets in Financial Instruments Directive ("<b>MiFID</b>") and Markets in Financial Instruments Regulation ("<b>MiFIR</b>"), and European regulations governing the clearing of certain over-the-counter derivative products by centralised counterparties and the disclosure of securities financing transactions to centralised bodies.</li> </ul> <p>Moreover, in today's tougher regulatory context, the risk of non-compliance with existing laws and regulations, in particular those relating to the protection of the interests of customers, is a significant risk for the banking industry, potentially resulting in significant losses and fines. In addition to its compliance system, which specifically covers this type of risk, the BNP</p>

Element	Title	
		<p>Paribas Group places the interest of its customers, and more broadly that of its stakeholders, at the heart of its values. The new code of conduct adopted by the BNP Paribas Group in 2016 sets out detailed values and rules of conduct in this area.</p> <p><b>Cyber risk</b></p> <p>In recent years, financial institutions have been impacted by a number of cyber incidents, notably involving large-scale alterations of data which compromise the quality of financial information. This risk remains today and BNPP, like other banks, has taken measures to implement systems to deal with cyber attacks that could destroy or damage data and critical systems and hamper the smooth running of its operations. Moreover, the regulatory and supervisory authorities are taking initiatives to promote the exchange of information on cyber security and cyber criminality in order to improve the security of technological infrastructures and establish effective recovery plans after a cyber incident.]</p> <p><i>[Insert where BNPP B.V. is the Issuer:</i></p> <p>BNPP B.V. is dependent upon BNPP. BNPP B.V. is a wholly owned subsidiary of BNPP specifically involved in the issuance of securities such as notes, warrants or certificates or other obligations which are developed, set up and sold to investors by other companies in the BNP Paribas Group (including BNPP). The securities are hedged by acquiring hedging instruments and/or collateral from BNP Paribas and BNP Paribas entities as described in Element D.2 below. As a consequence, the Trend Information described with respect to BNPP shall also apply to BNPP B.V.]</p>
<b>B.5</b>	Description of the Group	<p><i>[Insert where BNPP B.V. is the Issuer:</i> BNPP B.V. is a wholly owned subsidiary of BNP Paribas. BNP Paribas is the ultimate holding company of a group of companies and manages financial operations for those subsidiary companies (together the "<b>BNPP Group</b>").]</p> <p><i>[Insert where BNPP is the Issuer:</i> BNPP is a European leading provider of banking and financial services and has four domestic retail banking markets in Europe, namely in Belgium, France, Italy and Luxembourg. It is present in 74 countries and has more than 192,000 employees, including more than 146,000 in Europe. BNPP is the parent company of the BNP Paribas Group (together the "<b>BNPP Group</b>").]</p>
<b>B.9</b>	Profit forecast or estimate	Not applicable, as there are no profit forecasts or estimates made in respect of the Issuer in the Base Prospectus to which this Summary relates.
<b>B.10</b>	Audit report qualifications	[Not applicable, there are no qualifications in any audit report on the historical financial information included in the Base Prospectus.][The audit report on the historical financial information included in the Base Prospectus contains the following qualification(s): <i>[describe qualification(s)]</i> ]
<b>B.12</b>	Selected historical key financial information:	

Element	Title	
	[Insert where BNPP B.V. is the Issuer:	
	<b>Comparative Annual Financial Data - In EUR</b>	
	<b>31/12/2016 (audited)</b>	<b>31/12/2015 (audited)</b>
Revenues	399,805	315,558
Net income, Group share	23,307	19,786
Total balance sheet	48,320,273,908	43,042,575,328
Shareholders' equity (Group share)	488,299	464,992]
	[Insert where BNPP is the Issuer:	
	<b>Comparative Annual Financial Data - In millions of EUR</b>	
	<b>31/12/2016 (audited)</b>	<b>31/12/2015 (audited)</b>
Revenues	43,411	42,938
Cost of risk	(3,262)	(3,797)
Net income, Group share	7,702	6,694
	<b>31/12/2016</b>	<b>31/12/2015</b>
Common equity Tier 1 ratio (Basel 3 fully loaded, CRD4)	11.5%	10.9%
	<b>31/12/2016 (audited)</b>	<b>31/12/2015 (audited)</b>
Total consolidated balance sheet	2,076,959	1,994,193
Consolidated loans and receivables due from customers	712,233	682,497
Consolidated items due to customers	765,953	700,309
Shareholders' equity (Group share)	100,665	96,269
	<b>Comparative Interim Financial Data for the three-month period ended 31 March 2017 – In millions of EUR</b>	
	<b>1Q17 (unaudited)</b>	<b>1Q16 (unaudited)</b>
Revenues	11,297	10,844
Cost of risk	(592)	(757)
Net income, Group share	1,894	1,814
	<b>31/03/2017</b>	<b>31/12/2016</b>
Common equity Tier 1 ratio (Basel 3 fully	11.6%	11.5%

Element	Title		
	loaded, CRD4)		
		<b>31/03/2017 (unaudited)</b>	<b>31/12/2016 (audited)</b>
	Total consolidated balance sheet	2,197,658	2,076,959
	Consolidated loans and receivables due from customers	718,009	712,233
	Consolidated items due to customers	801,381	765,953
	Shareholders' equity (Group share)	102,076	100,665]
	<p><b><i>Statements of no significant or material adverse change</i></b></p> <p>There has been no significant change in the financial or trading position of the BNPP Group since 31 December 2016 (being the end of the last financial period for which audited financial statements have been published).</p> <p><i>[Insert where BNPP is the Issuer: There has been no material adverse change in the prospects of BNPP or the BNPP Group since 31 December 2016 (being the end of the last financial period for which audited financial statements have been published).]</i></p> <p><i>[Insert where BNPP B.V. is the Issuer: There has been no significant change in the financial or trading position of BNPP B.V. since 31 December 2016 and there has been no material adverse change in the prospects of BNPP B.V. since 31 December 2016.]</i></p>		
<b>B.13</b>	Events impacting the Issuer's solvency	<p>[Not applicable, as at 7 June 2017 and to the best of the Issuer's knowledge, there have not been any recent events which are to a material extent relevant to the evaluation of the Issuer's solvency since 31 December 2016]. <i>[Specify any recent events which are to a material extent relevant to the evaluation of the Issuer's solvency.]</i></p>	
<b>B.14</b>	Dependence upon other group entities	<p><i>[Insert where BNPP is the Issuer: Subject to the following paragraph, BNPP is not dependent upon other members of the BNPP Group.</i></p> <p>In April 2004, BNPP began outsourcing IT Infrastructure Management Services to the BNP Paribas Partners for Innovation (BP<sup>2</sup>I) joint venture set up with IBM France at the end of 2003. BP<sup>2</sup>I provides IT Infrastructure Management Services for BNPP and several BNPP subsidiaries in France (including BNP Paribas Personal Finance, BP2S, and BNP Paribas Cardif), Switzerland, and Italy. In mid-December 2011 BNPP renewed its agreement with IBM France for a period lasting until end-2017. At the end of 2012, the parties entered into an agreement to gradually extend this arrangement to BNP Paribas Fortis as from 2013. The Swiss subsidiary was closed on 31 December 2016.</p> <p>BP<sup>2</sup>I is under the operational control of IBM France. BNP Paribas has a strong influence over this entity, which is 50/50 owned with IBM France. The BNP Paribas staff made available to BP<sup>2</sup>I make up half of that entity's permanent staff, its buildings and processing centres are the property of the Group, and the governance in place provides BNP Paribas with the contractual right to</p>	

Element	Title	
		<p>monitor the entity and bring it back into the Group if necessary.</p> <p>ISFS is a fully-owned IBM subsidiary, which has changed its name to IBM Luxembourg, and handles IT Infrastructure Management for part of BNP Paribas Luxembourg's entities.</p> <p>BancWest's data processing operations are outsourced to Fidelity Information Services ("FIS") for its core banking. The hosting and production operations are also located at FIS in Honolulu.</p> <p>Cofinoga France's data processing is outsourced to SDDC, a fully-owned IBM subsidiary. See also Element B.5 above.]</p> <p>[Insert where BNPP B.V. is the Issuer: BNPP B.V. is dependent upon BNPP. BNPP B.V. is a wholly owned subsidiary of BNPP specifically involved in the issuance of securities such as notes, warrants or certificates or other obligations which are developed, set up and sold to investors by other companies in the BNPP Group (including BNPP). The securities are hedged by acquiring hedging instruments and/or collateral from BNP Paribas and BNP Paribas entities as described in Element D.2 below. See also Element B.5 above.]</p>
<b>B.15</b>	Principal activities	<p>[Insert where BNPP B.V. is the Issuer:</p> <p>The principal activity of the Issuer is to issue and/or acquire financial instruments of any nature and to enter into related agreements for the account of various entities within the BNPP Group.]</p> <p>[Insert where BNPP is the Issuer:</p> <p>BNP Paribas holds key positions in its two main businesses:</p> <ul style="list-style-type: none"> <li>• <b>Retail Banking and Services, which includes:</b> <ul style="list-style-type: none"> <li>• Domestic Markets, comprising: <ul style="list-style-type: none"> <li>• French Retail Banking (FRB),</li> <li>• BNL banca commerciale (BNL bc), Italian retail banking,</li> <li>• Belgian Retail Banking (BRB),</li> <li>• Other Domestic Markets activities, including Luxembourg Retail Banking (LRB);</li> </ul> </li> <li>• International Financial Services, comprising: <ul style="list-style-type: none"> <li>• Europe-Mediterranean,</li> <li>• BancWest,</li> <li>• Personal Finance,</li> </ul> </li> </ul> </li> </ul>

Element	Title	
		<ul style="list-style-type: none"> <li>Insurance,</li> <li>Wealth and Asset Management;</li> <li><b>Corporate and Institutional Banking (CIB)</b>, which includes: <ul style="list-style-type: none"> <li>Corporate Banking,</li> <li>Global Markets,</li> <li>Securities Services.]</li> </ul> </li> </ul>
<b>B.16</b>	Controlling shareholders	<p>[Insert where BNPP B.V. is the Issuer: BNP Paribas holds 100 per cent. of the share capital of the Issuer.]</p> <p>[Insert where BNPP is the Issuer: None of the existing shareholders controls, either directly or indirectly, BNPP. As at 31 December 2016, the main shareholders were Société Fédérale de Participations et d'Investissement ("<b>SFPI</b>") a <i>public-interest société anonyme</i> (public limited company) acting on behalf of the Belgian government holding 10.2% of the share capital, BlackRock Inc. holding 5.2% of the share capital and Grand Duchy of Luxembourg holding 1.0% of the share capital. To BNPP's knowledge, no shareholder other than SFPI and BlackRock Inc. owns more than 5% of its capital or voting rights.</p> <p>On 4 May 2017, the Belgian State via the Federal Holding and Investment Company ("<b>SFPI-FPIM</b>") announced that it had entered into forward sale transactions in respect of 31,198,404 shares of BNPP representing approximately 2.5% of the share capital held by SFPI-FPIM. Upon settlement of such forward sale transactions, SFPI-FPIM's shareholding in BNPP will reduce to approximately 7.8%.]</p>
<b>B.17</b>	Solicited credit ratings	<p>[Insert where BNPP B.V. is the Issuer: BNPP B.V.'s long term credit ratings are A with a stable outlook (Standard &amp; Poor's Credit Market Services France SAS) and BNPP B.V.'s short term credit ratings are A-1 (Standard &amp; Poor's Credit Market Services France SAS).]</p> <p>[Insert where BNPP is the Issuer: BNPP's long-term credit ratings are [A with a stable outlook (Standard &amp; Poor's Credit Market Services France SAS)], [A1 with a stable outlook (Moody's Investors Service Ltd.)], [A+ with a stable outlook (Fitch France S.A.S.)] and [AA (low) with a stable outlook (DBRS Limited)] and BNPP's short-term credit ratings are [A-1 (Standard &amp; Poor's Credit Market Services France SAS)], [P-1 (Moody's Investors Service Ltd.)], [F1 (Fitch France S.A.S.)] and [R-1 (middle) (DBRS Limited)].</p> <p>[The Securities [have [not] been/are expected to be] rated [[●] by [●]]. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.]</p>



Element	Title	
<b>B.18</b>	Description of the Guarantee	<p><i>[Insert in the case of English law unsecured Securities issued by BNPP B.V.: The Securities will be unconditionally and irrevocably guaranteed by BNP Paribas ("BNPP" or the "Guarantor") pursuant to an English law deed of guarantee executed by BNPP on or around 7 June 2017 (the "Guarantee").</i></p> <p>In the event of a bail-in of BNPP but not BNPP B.V., the obligations and/or amounts owed by BNPP under the guarantee shall be reduced to reflect any such modification or reduction applied to liabilities of BNPP resulting from the application of a bail-in of BNPP by any relevant regulator (including in a situation where the Guarantee itself is not the subject of such bail-in).]</p> <p><i>[Insert in the case of English law secured Securities issued by BNPP B.V.: The Securities will be unconditionally and irrevocably guaranteed by BNP Paribas ("BNPP" or the "Guarantor") pursuant to an English law deed of guarantee executed by BNPP on or around 7 June 2017 (the "Guarantee").]</i></p> <p><i>[Insert in the case of French law unsecured Securities issued by BNPP B.V.: The Securities will be unconditionally and irrevocably guaranteed by BNP Paribas ("BNPP" or the "Guarantor") pursuant to a French law garantie executed by BNPP on or around 7 June 2017 (the "Guarantee").]</i></p> <p>In the event of a bail-in of BNPP but not BNPP B.V., the obligations and/or amounts owed by BNPP under the guarantee shall be reduced to reflect any such modification or reduction applied to liabilities of BNPP resulting from the application of a bail-in of BNPP by any relevant regulator (including in a situation where the Guarantee itself is not the subject of such bail-in).]</p> <p><i>[Insert in the case of French law secured Securities issued by BNPP B.V.: The Securities will be unconditionally and irrevocably guaranteed by BNP Paribas ("BNPP" or the "Guarantor") pursuant to a French law garantie executed by BNPP on or around 7 June 2017 (the "Guarantee").]</i></p> <p><i>[Insert in the case of English law unsecured Securities, English law secured Securities, French law unsecured Securities and French law secured Securities issued by BNPP B.V.: The obligations under the [guarantee/garantie] are unsubordinated and unsecured obligations of BNPP and will rank <i>pari passu</i> with all its other present and future unsubordinated and unsecured obligations subject to such exceptions as may from time to time be mandatory under French law.]</i></p> <p><i>[Insert where BNPP is the Issuer: Not applicable, the Securities are not guaranteed.]</i></p>
<b>B.19</b>	<p><i>[If the Securities are guaranteed, insert:</i></p> <p>Information about the Guarantor</p>	
<b>B.19/ B.1</b>	Legal and commercial	BNP Paribas

Element	Title	
	name of the Guarantor	
<b>B.19/ B.2</b>	Domicile/ legal form/ legislation/ country of incorporation	The Guarantor was incorporated in France as a <i>société anonyme</i> under French law and licensed as a bank having its head office at 16, boulevard des Italiens – 75009 Paris, France.
<b>B.19/ B.4b</b>	Trend information	<p><b><i>Macroeconomic environment.</i></b></p> <p>Macroeconomic and market conditions affect BNPP's results. The nature of BNPP's business makes it particularly sensitive to macroeconomic and market conditions in Europe, which have been at times challenging and volatile in recent years.</p> <p>In 2016, global growth stabilised slightly above 3%, despite a much lower growth in the advanced economies. Three major transitions continue to affect the global outlook: declining economic growth in China, fluctuating energy prices that rose in 2016, and a second tightening of monetary policy in the United States in the context of a resilient domestic recovery. It should be noted that the central banks of several large developed countries continue to maintain accommodative monetary policies. IMF economic forecasts for 2017<sup>3</sup> point to a recovery in global activity, no significant improvement in growth in the euro zone and Japan, and a slowdown in the United Kingdom.</p> <p>In that context, two risks can be identified:</p> <p><i>Financial instability due to the vulnerability of emerging countries</i></p> <p>While the exposure of the BNP Paribas Group to emerging countries is limited, the vulnerability of these economies may generate disruptions in the global financial system that could affect the BNP Paribas Group and potentially alter its results.</p> <p>A broad increase in the foreign exchange liabilities of the economies of many emerging market economies was observed in 2016, at a time when debt levels (in both foreign and local currency) were already high. The private sector was the main source of the increase in this debt. Furthermore, the prospect of a gradual increase in US key rates (the Federal Reserve Bank made its first increase in December 2015, and a second in December 2016) and increased financial volatility stemming from concerns about growth and mounting geopolitical risk in emerging markets have contributed to a tightening of external financial conditions, increased capital outflows, further currency depreciations in many emerging markets and heightened risks for banks. These factors could result in further downgrades of sovereign ratings.</p> <p>There is still a risk of disturbances in global markets (rising risk premiums, erosion of confidence, declining growth, deferral or slower pace of normalisation of monetary policies, declining liquidity in markets, asset valuation problems, decline in credit supply and disorderly deleveraging) that could affect all banking institutions.</p>

<sup>3</sup> See notably: IMF – World Economic Outlook, updated in January 2017.

Element	Title	
		<p><i>Systemic risks related to increased debt and market liquidity</i></p> <p>Despite the upturn since mid-2016, interest rates remain low, which may continue to encourage excessive risk-taking among some players in the financial system: increased maturities of financing and assets held, less stringent policy for granting loans, increase in leveraged financing.</p> <p>Some players (insurance companies, pension funds, asset managers, etc.) entail an increasingly systemic dimension and in the event of market turbulence (linked for instance to a sudden rise in interest rates and/or a sharp price correction) they may decide to unwind large positions in an environment of relatively weak market liquidity.</p> <p>Recent years have also seen an increase in debt (public and private) in both developed and emerging countries. The resulting risk could materialise either in the event of a spike in interest rates or a further negative growth shock.</p> <p><b><i>Laws and regulations applicable to financial institutions.</i></b></p> <p>Recent and future changes in the laws and regulations applicable to financial institutions may have a significant impact on BNPP. Measures that were recently adopted or which are (or whose application measures are) still in draft format, that have or are likely to have an impact on BNPP notably include:</p> <ul style="list-style-type: none"> <li>- the structural reforms comprising the French banking law of 26 July 2013 requiring that banks create subsidiaries for or segregate "speculative" proprietary operations from their traditional retail banking activities, the "Volcker rule" in the US which restricts proprietary transactions, sponsorship and investment in private equity funds and hedge funds by US and foreign banks, and upcoming potential changes in Europe;</li> <li>- regulations governing capital: the Capital Requirements Directive IV ("<b>CRD4</b>")/the Capital Requirements Regulation ("<b>CRR</b>"), the international standard for total loss-absorbing capacity ("<b>TLAC</b>") and BNPP's designation as a financial institution that is of systemic importance by the Financial Stability Board;</li> <li>- the European Single Supervisory Mechanism and the ordinance of 6 November 2014;</li> <li>- the Directive of 16 April 2014 related to deposit guarantee systems and its delegation and implementing decrees, the Directive of 15 May 2014 establishing a Bank Recovery and Resolution framework, the Single Resolution Mechanism establishing the Single Resolution Council and the Single Resolution Fund;</li> <li>- the Final Rule by the US Federal Reserve imposing tighter prudential rules on the US transactions of large foreign banks, notably the obligation to create a separate intermediary holding company in the</li> </ul>

Element	Title	
		<p>US (capitalised and subject to regulation) to house their US subsidiaries;</p> <ul style="list-style-type: none"> <li>- the new rules for the regulation of over-the-counter derivative activities pursuant to Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act, notably margin requirements for uncleared derivative products and the derivatives of securities traded by swap dealers, major swap participants, security-based swap dealers and major security-based swap participants, and the rules of the US Securities and Exchange Commission which require the registration of banks and major swap participants active on derivatives markets and transparency and reporting on derivative transactions;</li> <li>- the new Markets in Financial Instruments Directive ("<b>MiFID</b>") and Markets in Financial Instruments Regulation ("<b>MiFIR</b>"), and European regulations governing the clearing of certain over-the-counter derivative products by centralised counterparties and the disclosure of securities financing transactions to centralised bodies.</li> </ul> <p>Moreover, in today's tougher regulatory context, the risk of non-compliance with existing laws and regulations, in particular those relating to the protection of the interests of customers, is a significant risk for the banking industry, potentially resulting in significant losses and fines. In addition to its compliance system, which specifically covers this type of risk, the BNP Paribas Group places the interest of its customers, and more broadly that of its stakeholders, at the heart of its values. The new code of conduct adopted by the BNP Paribas Group in 2016 sets out detailed values and rules of conduct in this area.</p> <p><b>Cyber risk</b></p> <p>In recent years, financial institutions have been impacted by a number of cyber incidents, notably involving large-scale alterations of data which compromise the quality of financial information. This risk remains today and BNPP, like other banks, has taken measures to implement systems to deal with cyber attacks that could destroy or damage data and critical systems and hamper the smooth running of its operations. Moreover, the regulatory and supervisory authorities are taking initiatives to promote the exchange of information on cyber security and cyber criminality in order to improve the security of technological infrastructures and establish effective recovery plans after a cyber incident.</p>
<b>B.19/B.5</b>	Description of the Group	BNPP is a European leading provider of banking and financial services and has four domestic retail banking markets in Europe, namely in Belgium, France, Italy and Luxembourg. It is present in 74 countries and has more than 192,000 employees, including more than 146,000 in Europe. BNPP is the parent company of the BNP Paribas Group (together the " <b>BNPP Group</b> ").
<b>B.19/B.9</b>	Profit forecast or	Not applicable, as there are no profit forecasts or estimates made in respect of

Element	Title																																																										
	estimate	the Guarantor in the Base Prospectus to which this Summary relates.																																																									
<b>B.19/ B.10</b>	Audit report qualifications	[Not applicable, there are no qualifications in any audit report on the historical financial information included in the Base Prospectus.] / [The audit report on the historical financial information included in the Base Prospectus contains the following qualifications(s): <i>[describe qualification(s)]</i> ]																																																									
<b>B.19/ B.12</b>	<p>Selected historical key financial information:</p> <p><b>Comparative Annual Financial Data - In millions of EUR</b></p> <table> <tr> <th></th><th><b>31/12/2016 (audited)</b></th><th><b>31/12/2015 (audited)</b></th></tr> <tr> <td>Revenues</td><td>43,411</td><td>42,938</td></tr> <tr> <td>Cost of risk</td><td>(3,262)</td><td>(3,797)</td></tr> <tr> <td>Net income, Group share</td><td>7,702</td><td>6,694</td></tr> <tr> <td></td><td><b>31/12/2016</b></td><td><b>31/12/2015</b></td></tr> <tr> <td>Common equity Tier 1 ratio (Basel 3 fully loaded CRD4)</td><td>11.5%</td><td>10.9%</td></tr> <tr> <td></td><td><b>31/12/2016 (audited)</b></td><td><b>31/12/2015 (audited)</b></td></tr> <tr> <td>Total consolidated balance sheet</td><td>2,076,959</td><td>1,994,193</td></tr> <tr> <td>Consolidated loans and receivables due from customers</td><td>712,233</td><td>682,497</td></tr> <tr> <td>Consolidated items due to customers</td><td>765,953</td><td>700,309</td></tr> <tr> <td>Shareholders' equity (Group share)</td><td>100,665</td><td>96,269</td></tr> </table> <p><b>Comparative Interim Financial Data for the three-month period ended 31 March 2017 – In millions of EUR</b></p> <table> <tr> <th></th><th><b>1Q17 (unaudited)</b></th><th><b>1Q16 (unaudited)</b></th></tr> <tr> <td>Revenues</td><td>11,297</td><td>10,844</td></tr> <tr> <td>Cost of risk</td><td>(592)</td><td>(757)</td></tr> <tr> <td>Net income, Group share</td><td>1,894</td><td>1,814</td></tr> <tr> <td></td><td><b>31/03/2017</b></td><td><b>31/12/2016</b></td></tr> <tr> <td>Common equity Tier 1 ratio (Basel 3 fully loaded, CRD4)</td><td>11.6%</td><td>11.5%</td></tr> <tr> <td></td><td><b>31/03/2017 (unaudited)</b></td><td><b>31/12/2016 (audited)</b></td></tr> <tr> <td>Total consolidated balance sheet</td><td>2,197,658</td><td>2,076,959</td></tr> </table>			<b>31/12/2016 (audited)</b>	<b>31/12/2015 (audited)</b>	Revenues	43,411	42,938	Cost of risk	(3,262)	(3,797)	Net income, Group share	7,702	6,694		<b>31/12/2016</b>	<b>31/12/2015</b>	Common equity Tier 1 ratio (Basel 3 fully loaded CRD4)	11.5%	10.9%		<b>31/12/2016 (audited)</b>	<b>31/12/2015 (audited)</b>	Total consolidated balance sheet	2,076,959	1,994,193	Consolidated loans and receivables due from customers	712,233	682,497	Consolidated items due to customers	765,953	700,309	Shareholders' equity (Group share)	100,665	96,269		<b>1Q17 (unaudited)</b>	<b>1Q16 (unaudited)</b>	Revenues	11,297	10,844	Cost of risk	(592)	(757)	Net income, Group share	1,894	1,814		<b>31/03/2017</b>	<b>31/12/2016</b>	Common equity Tier 1 ratio (Basel 3 fully loaded, CRD4)	11.6%	11.5%		<b>31/03/2017 (unaudited)</b>	<b>31/12/2016 (audited)</b>	Total consolidated balance sheet	2,197,658	2,076,959
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Element	Title		
	Consolidated loans and receivables due from customers	718,009	712,233
	Consolidated items due to customers	801,381	765,953
	Shareholders' equity (Group share)	102,076	100,665
	<p><b><i>Statements of no significant or material adverse change</i></b></p> <p>See Element B.12 above in the case of the BNPP Group.</p> <p>There has been no material adverse change in the prospects of BNPP since 31 December 2016 (being the end of the last financial period for which audited financial statements have been published).</p>		
<b>B.19/ B.13</b>	Events impacting the Guarantor's solvency	<p>[Not applicable, as at 7 June 2017 and to the best of the Guarantor's knowledge, there have not been any recent events which are to a material extent relevant to the evaluation of the Guarantor's solvency since 31 December 2016.]</p> <p><i>[Specify any recent events which are to a material extent relevant to the evaluation of the Guarantor's solvency.]</i></p>	
<b>B.19/ B.14</b>	Dependence upon other Group entities	<p>Subject to the following paragraph, BNPP is not dependent upon other members of the BNPP Group.</p> <p>In April 2004, BNPP began outsourcing IT Infrastructure Management Services to the BNP Paribas Partners for Innovation (BP<sup>2</sup>I) joint venture set up with IBM France at the end of 2003. BP<sup>2</sup>I provides IT Infrastructure Management Services for BNPP and several BNPP subsidiaries in France (including BNP Paribas Personal Finance, BP2S, and BNP Paribas Cardif), Switzerland, and Italy. In mid-December 2011 BNPP renewed its agreement with IBM France for a period lasting until end-2017. At the end of 2012, the parties entered into an agreement to gradually extend this arrangement to BNP Paribas Fortis as from 2013. The Swiss subsidiary was closed on 31 December 2016.</p> <p>BP<sup>2</sup>I is under the operational control of IBM France. BNP Paribas has a strong influence over this entity, which is 50/50 owned with IBM France. The BNP Paribas staff made available to BP<sup>2</sup>I make up half of that entity's permanent staff, its buildings and processing centres are the property of the Group, and the governance in place provides BNP Paribas with the contractual right to monitor the entity and bring it back into the Group if necessary.</p> <p>ISFS is a fully-owned IBM subsidiary, which has changed its name to IBM Luxembourg, and handles IT Infrastructure Management for part of BNP Paribas Luxembourg's entities.</p> <p>BancWest's data processing operations are outsourced to Fidelity Information Services ("FIS") for its core banking. The hosting and production operations are also located at FIS in Honolulu.</p>	

Element	Title	
		<p>Cofinoga France's data processing is outsourced to SDDC, a fully-owned IBM subsidiary.</p> <p>See also Element B.5 above.</p>
<b>B.19/ B.15</b>	Principal activities	<p>BNP Paribas holds key positions in its two main businesses:</p> <ul style="list-style-type: none"> <li>• <b>Retail Banking and Services</b>, which includes: <ul style="list-style-type: none"> <li>• Domestic Markets, comprising: <ul style="list-style-type: none"> <li>• French Retail Banking (FRB),</li> <li>• BNL banca commerciale (BNL bc), Italian retail banking,</li> <li>• Belgian Retail Banking (BRB),</li> <li>• Other Domestic Markets activities, including Luxembourg Retail Banking (LRB);</li> </ul> </li> <li>• International Financial Services, comprising: <ul style="list-style-type: none"> <li>• Europe-Mediterranean,</li> <li>• BancWest,</li> <li>• Personal Finance,</li> <li>• Insurance,</li> <li>• Wealth and Asset Management;</li> </ul> </li> </ul> </li> <li>• <b>Corporate and Institutional Banking (CIB)</b>, which includes: <ul style="list-style-type: none"> <li>• Corporate Banking,</li> <li>• Global Markets,</li> <li>• Securities Services.]</li> </ul> </li> </ul>

Element	Title	
<b>B.19/ B.16</b>	Controlling shareholders	<p>None of the existing shareholders controls, either directly or indirectly, BNPP. As at 31 December 2016, the main shareholders were Société Fédérale de Participations et d'Investissement ("<b>SFPI</b>") a <i>public-interest société anonyme</i> (public limited company) acting on behalf of the Belgian government holding 10.2% of the share capital, BlackRock Inc. holding 5.2% of the share capital and Grand Duchy of Luxembourg holding 1.0% of the share capital. To BNPP's knowledge, no shareholder other than SFPI and BlackRock Inc. owns more than 5% of its capital or voting rights.</p> <p>On 4 May 2017, the Belgian State via the Federal Holding and Investment Company ("<b>SFPI-FPIM</b>") announced that it had entered into forward sale transactions in respect of 31,198,404 shares of BNPP representing approximately 2.5% of the share capital held by SFPI-FPIM. Upon settlement of such forward sale transactions, SFPI-FPIM's shareholding in BNPP will reduce to approximately 7.8%.</p>
<b>B.19/ B.17</b>	Solicited credit ratings	<p>BNPP's long-term credit ratings are [A with a stable outlook (Standard &amp; Poor's Credit Market Services France SAS)], [A1 with a stable outlook (Moody's Investors Service Ltd.)], [A+ with a stable outlook (Fitch France S.A.S.)] and [AA (low) with a stable outlook (DBRS Limited)] and BNPP's short-term credit ratings are [A-1 (Standard &amp; Poor's Credit Market Services France SAS)], [P-1 (Moody's Investors Service Ltd.)], [F1 (Fitch France S.A.S.)] and [R-1 (middle) (DBRS Limited)].</p> <p>A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.]</p>

### Section C – Securities

Element	Title	
<b>C.1</b>	Type and class of Securities/ISIN	<p>The Securities are warrants ("<b>Warrants</b>") and are issued in Series. The Series Number of the Securities is [●]. The Tranche number is [●].</p> <p>The ISIN is: [●].</p> <p>The Common Code is: [●].</p> <p>The Mnemonic Code is: [●].</p> <p>[The Securities will be consolidated and form a single series with [<i>identify earlier Tranches</i>] on [the Issue Date].]</p> <p>The Warrants are governed by [English]/[French] law.</p> <p>The Securities are [cash settled Securities/physically settled Securities].</p>
<b>C.2</b>	Currency	[The currency of this Series of Securities is [●] ([●])]



Element	Title	
C.5	Restrictions on free transferability	The Securities will be freely transferable, subject to the offering and selling restrictions in the United States, the European Economic Area, Belgium, Denmark, Finland, France, Italy, Luxembourg, Norway, Portugal, Spain, Sweden, Japan and Australia and under the Prospectus Directive and the laws of any jurisdiction in which the relevant Securities are offered or sold.
C.8	Rights attaching to the Securities	<p>Securities issued under the Base Prospectus will have terms and conditions relating to, among other matters:</p> <p><b>Status</b></p> <p><i>[In the case of Securities issued by BNPP B.V.:</i></p> <p>The Securities are issued on a [secured/unsecured] basis. <i>[Insert in the case of Securities issued on an unsecured basis: Securities issued on an unsecured basis constitute unsubordinated and unsecured obligations of the Issuer and rank <i>pari passu</i> among themselves.]</i></p> <p><i>[Insert in the case of Securities issued on a secured basis: Securities issued on a secured basis ("<b>Secured Securities</b>") constitute unsubordinated and secured obligations of the Issuer and will rank <i>pari passu</i> among themselves.]]</i></p> <p><i>[In the case of Securities issued by BNPP:</i></p> <p>The Securities constitute unsubordinated and unsecured obligations of the Issuer and rank <i>pari passu</i> among themselves. The term "unsubordinated obligations" refers to senior preferred obligations which fall or are expressed to fall within the category of obligations described in article L613-30-3-I-3° of the <i>French Code monétaire et financier</i>. Additionally, the Issuer may not issue senior non-preferred securities pursuant to the Base Prospectus.]</p> <p><b>[Secured Securities]</b></p> <p>BNPP B.V. will grant a security interest in favour of [BNP Paribas Trust Corporation UK Limited] [●] (the "<b>Collateral Agent</b>") on behalf of the Collateral Agent and the relevant holders of Securities over assets (such assets, the "<b>Collateral Assets</b>") held in one or more accounts with [●] (each a "<b>Collateral Account</b>").</p> <p>[The Secured Securities will be secured by the same pool of Collateral Assets as other series of Secured Securities][The Secured Securities will be the only series of Secured Securities secured by the Collateral Assets held in the Collateral Account] (the "<b>Collateral Pool</b>").</p> <p>The Collateral Assets in the Collateral Pool will be [one or more of] the following:</p> <p>(a) [[cash in Euro]/[cash in [●]]]</p> <p>(b) [common] [ordinary] shares or stock;[preference shares or stock;] [convertible common shares or stock;] [convertible preference shares</p>

Element	Title	
		<p>or stock;] [American depositary receipts;] [global depositary receipts] [warrants] [● [which represents a share of an equity interest in an entity]("Eligible Equity Collateral") [issued by[●]/[with ISIN [●]:</p> <p>(c) [Linked Note Collateral/[Credit Linked Note Collateral][Loan Participation Note Collateral][Loan Collateral][Convertible Bond Collateral][Exchangeable Bond Collateral][Covered Bond Collateral][Pfandbriefe Collateral][Zero Coupon Bond Collateral][Vanilla Debt Securities]Eligible ABS Collateral]Eligible Fund Collateral][issued by [● ]/[with ISIN [●]:</p> <p>The Issuer will provide Collateral Assets in respect of [the marked to market value of the Secured Securities ("MTM Collateralisation")] [part of the marked to market value of the Secured Securities ("Partial MTM Collateralisation")].</p> <p>The Issuer will not hold Collateral Assets in respect of Secured Securities where it or one of its affiliates is the beneficial owner of such Secured Securities.</p> <p>Following the occurrence of one or more of the events of default applicable to the Secured Securities (which events of default include non-payment, non-performance or non-observance of BNPP B.V.'s or the Guarantor's obligations in respect of the Secured Securities; the insolvency or winding up of the Issuer or the Guarantor and delivery of a notice from a holder of Secured Securities to, among others, the Collateral Agent which is not disputed by BNPP B.V., the security over each Collateral Pool will be enforced by the Collateral Agent.</p> <p>[Following the realisation, or enforcement, of the security with respect to the Collateral Pool if the amount paid to holders of Securities in respect of a series of Secured Securities is less than the amount payable in respect of such Secured Securities following such realisation or enforcement, such shortfall shall be irrevocably guaranteed by BNPP.] [On enforcement of the security interest with respect to the Collateral Pool, the Collateral Assets and/or the value realised for any of the Collateral Assets which are sold in connection with the enforcement and delivery will be delivered to the relevant holders of Securities and no shortfall will be calculated [where such Collateral Assets are delivered.]]</p> <p>[The amount payable in respect of the Secured Securities following the realisation or enforcement of the security with respect to a Collateral Pool will be the [Security Value Termination Amount] [Security Value Realisation Proceeds].</p> <p><b>Taxation</b></p> <p>The Holder must pay all taxes, duties and/or expenses arising from the exercise and settlement of the Securities and/or the delivery or transfer of the</p>

Element	Title	
		<p>Entitlement. The Issuer shall deduct from amounts payable or assets deliverable to Holders certain taxes and expenses not previously deducted from amounts paid or assets delivered to Holders, as the Calculation Agent determines are attributable to the Securities.</p> <p>Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "<b>Code</b>") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto, and (iii) any withholding or deduction required pursuant to Section 871(m) of the Code.</p> <p>In addition, in determining the amount of withholding or deduction required pursuant to Section 871(m) of the Code imposed with respect to any amounts to be paid on the Securities, the Issuer shall be entitled to withhold on any "dividend equivalent" payment (as defined for purposes of Section 871(m) of the Code) at a rate of 30 per cent.</p> <p><b><i>Negative pledge</i></b></p> <p>The terms of the Securities will not contain a negative pledge provision.</p> <p><b><i>Events of Default</i></b></p> <p><i>[Insert in the case of Securities which are not Secured Securities:</i></p> <p>The terms of the Securities will not contain events of default.]</p> <p><i>[Insert in the case of Securities which are Secured Securities:</i></p> <p>The events of default relating to the Secured Securities are described in this Element C.8 under the heading "Secured Securities".]</p> <p><b><i>Meetings</i></b></p> <p>[The terms of the Securities will contain provisions for calling meetings of holders of such Securities to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority.]</p> <p><i>[In the case of French law Securities:</i> [The Holders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a <i>masse</i> (the "<b>Masse</b>").] / [The Holders shall not be grouped in a <i>masse</i>.]]</p> <p><b><i>Governing law</i></b></p> <p><i>[Insert in the case of English law Securities:</i></p>

Element	Title	
		<p>The Securities, the English Law Agency Agreement (as amended or supplemented from time to time)[, the Guarantee in respect of the Securities] and any non-contractual obligations arising out of or in connection with the Securities, the English Law Agency Agreement (as amended or supplemented from time to time)[ and the Guarantee in respect of the Securities] will be governed by and shall be construed in accordance with English law.]</p> <p><i>[Insert in the case of French law Securities:</i></p> <p>The Securities, the French Law Agency Agreement (as amended or supplemented from time to time) [and the BNPP French Law Guarantee] are governed by, and construed in accordance with, French law, and any action or proceeding in relation thereto shall be submitted to the jurisdiction of the competent courts in Paris within the jurisdiction of the Paris Court of Appeal (<i>Cour d'Appel de Paris</i>). BNPP B.V. elects domicile at the registered office of BNP Paribas currently located at 16 boulevard des Italiens, 75009 Paris.]</p>
C.9	Interest/Redemption	<p><b><i>Interest</i></b></p> <p>The Securities do not bear or pay interest</p> <p><b><i>Redemption</i></b></p> <p>Unless previously cancelled, each Security will be exercised on [●] [as set out in Element C.18].</p> <p><i>[Insert if Payout Switch is applicable: If [the Issuer elects that the [redemption/payment Basis] [Final Payout] be amended][an Automatic Payout Switch Event occurs], the payment basis [Final Payout] of the Securities will be amended on and after [●] (the "Payout Switch Date") to [specify switched payout].</i></p> <p><b>"Automatic Payout Switch Event"</b> means [specify].]</p> <p>The Warrants may be cancelled if the performance of the Issuer's obligations under the Warrants has become illegal or by reason of force majeure or act of state it becomes impossible or impracticable for the Issuer to perform its obligations under the Warrants and/or any related hedging arrangements. [The Warrants may also be cancelled for [specify any other early cancellation provisions applicable to the Securities being issued] at [specify the cancellation amount and any maximum or minimum cancellation amounts, applicable to the Securities being issued]].</p> <p><b><i>Representative of Holders</i></b></p> <p>[No representative of the Holders has been appointed by the Issuer.]</p> <p><i>[In the case of French law Securities: [The names and addresses of the initial Representative of the Masse and its alternate are [●].] / [The Holders shall not be grouped in a Masse.]</i></p>

Element	Title	
		Please also refer to item C.8 above for rights attaching to the Securities.
C.10	Derivative component in the interest payment	Not Applicable.  Please also refer to Elements C.9.
C.11	Admission to Trading	[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 Paris]/[the Luxembourg Stock Exchange]/[the Italian Stock Exchange]/[the Euro MTF]/[Euronext Brussels]/[NASDAQ OMX Helsinki Ltd.]/[Nordic Growth Market]/[●].]  [The Securities are not intended to be admitted to trading on any market.]
C.15	How the value of the investment in the derivative securities is affected by the value of the underlying assets	The [amount payable][assets deliverable] on settlement [is/are] calculated by reference to the Underlying Reference(s). See item C.9 above and C.18 below.
C.16	Maturity of the derivative Securities	The [Exercise]/[Expiration] Date of the Securities is [●]
C.17	Settlement Procedure	This Series of Securities is [cash/physically] settled.  The Issuer [has/does not have] the option to vary settlement.
C.18	Return on derivative securities	See Element C.8 above for the rights attaching to the Securities.  <b>Settlement</b>  Each Security entitles its holder, upon due exercise, to receive from the Issuer on the Settlement Date <i>[Insert in the case of cash settled Warrants: a Cash Settlement Amount equal to:]</i> <i>[Insert in the case of physically settled Warrants: the Entitlement, being the quantity of [specify relevant assets] (the "Relevant Assets") equal to:]</i>  [In relation to Credit Securities, if an Event Determination Date has occurred in respect of [[the][any] Reference Entity] [a specified number of Reference Entities] each Credit Security will settle at a <i>pro rata</i> share of the [Auction Settlement Amount, subject to fallback settlement] [Credit Event Cash Settlement Amount]]  [If no Event Determination Date occurs in respect of [the][any] Reference Entity each Credit Security will expire without payment.]  <b>Final Payouts</b>  <b>[Exchange Traded Securities (ETS) Final Payouts]</b>

Element	Title	
		<p><b>[Investment products:</b></p> <p><b>[Yield Enhancement:</b> fixed term products which have a fixed return if certain conditions (including [a cap][,] [[knock-out] features] [and] [automatic early exercise features]) relating to the Underlying Reference(s) is met. There is [total]/[partial]/[no capital] protection.</p> <p>[ETS Final Payout 1200]</p> <p>[ETS Final Payout 1240/4]</p> <p>[ETS Final Payout 1250/1]</p> <p>[ETS Final Payout 1250/4]</p> <p>[ETS Final Payout 1250/6]</p> <p>[ETS Final Payout 1250/7]</p> <p><i>[Insert the applicable Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Payout(s)]</i></p> <p><i>[Insert the applicable description for the Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><b>[Participation:</b> fixed term 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.</p> <p>[ETS Final Payout 1300]</p> <p>[ETS Final Payout 1320/1]</p> <p>[ETS Final Payout 1320/3]</p> <p>[ETS Final Payout 1399]</p> <p><i>[Insert the applicable Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Payout(s)]</i></p> <p><i>[Insert the applicable description for the Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p>

Element	Title	
		<p><b>[Leverage Products:</b></p> <p><b>[Leverage:</b> fixed term products which have a return linked to the [linear]/[non-linear] performance of the Underlying Reference. The calculation of the return is based on various mechanisms (including knock-out features). There is no capital protection.</p> <p>[ETS Final Payout 2100]</p> <p>[ETS Final Payout 2110/1]</p> <p>[ETS Final Payout 2110/2]</p> <p>[ETS Final Payout 2110/3]</p> <p>[ETS Final Payout 2110/4]</p> <p>[ETS Final Payout 2200/1]</p> <p>[ETS Final Payout 2200/2]</p> <p><i>[Insert the applicable Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Payout(s)]</i></p> <p><i>[Insert the applicable description for the Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><b>[Constant Leverage:</b> fixed term 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 no capital protection.</p> <p>[ETS Final Payout 2300/1]</p> <p><i>[Insert the applicable Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Payout(s)]</i></p> <p><i>[Insert the applicable description for the Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><b>[Structured Products Securities (SPS) Final Payouts</b></p> <p><b>[Fixed Percentage Securities:</b> fixed term products which have a return equal to a fixed percentage.]</p>

Element	Title	
		<p><i>[Insert the applicable Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Payout(s)]</i></p> <p><i>[Insert the applicable description for the Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><b>[Reverse Convertible Securities]:</b> fixed term products which have a return linked to both the performance of the Underlying Reference(s) and a knock-in level. There is no capital protection.</p> <p><b>[Reverse Convertible]</b></p> <p><b>[Reverse Convertible Standard]</b></p> <p><i>[Insert the applicable Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Payout(s)]</i></p> <p><i>[Insert the applicable description for the Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><b>[Vanilla Securities]:</b> 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.</p> <p><b>[Call]</b></p> <p><b>[Call Spread]</b></p> <p><b>[Put]</b></p> <p><b>[Put Spread]</b></p> <p><b>[Digital]</b></p> <p><b>[Knock-in Call]</b></p> <p><b>[Knock-out Call]</b></p> <p><i>[Insert the applicable Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base</i></p>



Element	Title	
		<p><i>Prospectus in respect of the applicable Payout(s)</i></p> <p><i>[Insert the applicable description for the Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><b>[Asian Securities]:</b> 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.</p> <p><b>[Asian]</b></p> <p><b>[Asian Spread]</b></p> <p><b>[Himalaya]</b></p> <p><i>[Insert the applicable Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Payout(s)]</i></p> <p><i>[Insert the applicable description for the Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><b>[Auto-callable Securities]:</b> fixed term products that include an automatic early exercise feature. The return is linked to the performance of the Underlying Reference(s). The return is calculated by reference to various mechanisms [(including knock-in features)]. There is [total]/[partial]/[no capital] protection.</p> <p><b>[Autocall]</b></p> <p><b>[Autocall One Touch]</b></p> <p><b>[Autocall Standard]</b></p> <p><i>[Insert the applicable Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Payout(s)]</i></p> <p><i>[Insert the applicable description for the Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><b>[Indexation Securities]:</b> 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.</p>

Element	Title	
		<p>[Certi plus: Booster]</p> <p>[Certi plus: Bonus]</p> <p>[Certi plus: Leveraged]</p> <p>[Certi plus: Twin Win]</p> <p>[Certi plus: Super Sprinter]</p> <p>[Certi plus: Generic]</p> <p>[Certi plus: Generic Knock-in]</p> <p>[Certi plus: Generic Knock-out]</p> <p><i>[Insert the applicable Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Payout(s)]</i></p> <p><i>[Insert the applicable description for the Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><b>[Ratchet Securities]:</b> 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.</p> <p><i>[Insert the applicable Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Payout(s)]</i></p> <p><i>[Insert the applicable description for the Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><b>[Sum Securities]:</b> 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 formulae. There is [total]/[partial]/[no capital] protection.</p> <p><i>[Insert the applicable Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Payout(s)]</i></p>

Element	Title	
		<p><i>[Insert the applicable description for the Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><b>[Option Max Securities:</b> 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 formulae. There is [total]/[partial]/[no capital] protection.</p> <p><i>[Insert the applicable Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Payout(s)]</i></p> <p><i>[Insert the applicable description for the Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><b>[Stellar Securities:</b> fixed term products which have a return linked to the performance of a basket of Underlying Reference(s). The return calculation, which is subject to a floor, is made up of the average returns of each Underlying Reference in the basket, each being subject to both a cap and a floor.</p> <p><i>[Insert the applicable Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Payout(s)]</i></p> <p><i>[Insert the applicable description for the Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><b>[Driver Securities:</b> fixed term products which have a return linked to the performance of a basket of Underlying Reference(s). The return calculation, which is subject to a floor, is determined by reference to the average return of the basket, where the performance of one or more of the best performing Underlying Reference(s) is set at a fixed level.</p> <p><i>[Insert the applicable Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Payout(s)]</i></p> <p><i>[Insert the applicable description for the Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><b>[Fixed Income (FI) Final Payouts</b></p>

Element	Title	
		<p><b>[FI FX Vanilla Securities:</b> 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.</p> <p><i>[Insert the applicable Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Payout(s)]</i></p> <p><i>[Insert the applicable description for the Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><b>[Digital Securities:</b> 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)].</p> <p><b>[Digital Floor]</b></p> <p><b>[Digital Cap]</b></p> <p><b>[Digital Plus]</b></p> <p><i>[Insert the applicable Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Payout(s)]</i></p> <p><i>[Insert the applicable description for the Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><b>[Inflation securities:</b> fixed term products which have a return linked to the performance of the Underlying Reference(s).</p> <p><i>[Insert the applicable Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Payout(s)]</i></p> <p><i>[Insert the applicable description for the Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><b>Entitlement Amount</b></p> <p><i>[Insert the applicable Entitlement Amount described in Annex 1 (Additional</i></p>

Element	Title	
		<p><i>Terms and Conditions for Payouts):</i></p> <p><b>[Delivery of Worst-Performing Underlying]</b></p> <p><b>[Delivery of Best-Performing Underlying]</b></p> <p><b>[Delivery of the Underlying]</b></p> <p><b>[Parity Entitlement Amount]</b></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Entitlement Amount.]</i></p> <p><i>[Insert if Delivery of Worst-Performing Underlying, Delivery of Best-Performing Underlying or Delivery of the Underlying is specified:</i></p> <p>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 the Rounding and Residual Amount.]]</p> <p><b>[Automatic Early Exercise]</b></p> <p>If [on any Automatic Early Expiration Valuation Date][in respect of an Automatic Early Expiration Valuation Period] an Automatic Early Expiration Event occurs, the Securities will be cancelled at Automatic Early Expiration Payout Amount on the Automatic Early Expiration Date.</p> <p>[The Automatic Early Expiration Payout Amount will be equal to:</p> <p><b>[Automatic Early Redemption Payout 2200/1]</b></p> <p><b>[Automatic Early Redemption Payout 2200/2]</b></p> <p><b>[SPS Automatic Early Redemption Payout]</b></p> <p><b>[FI Underlying Automatic Early Redemption]</b></p> <p><i>[Insert the applicable Automatic Early Redemption Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Automatic Early Redemption Payout]</i></p> <p><i>[Insert the applicable description for the Automatic Early Redemption Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p>[If the Automatic Early Expiration Payout Amount is not an amount in [specify] (the "<b>Settlement Currency</b>"), it will be converted into the Settlement Currency at [insert exchange rate].]</p> <p><b>["Automatic Early Expiration Event"</b> means [[the SPS AER Value]/[insert</p>

Element	Title	
		<p><i>in the case of a single Underlying where SPS AER Valuation is not applicable: Underlying Reference Level</i>]/[<i>insert in the case of a Basket of Underlyings where SPS AER Valuation is not applicable: Basket Price</i>] is [greater than]/[greater than or equal to][less than][less than or equal to] [<i>insert Automatic Early Expiration Level</i>]/[an AER Knock-out occurs.]]</p> <p>["<b>Automatic Early Expiration Valuation Date</b>" means [●], subject to adjustment.]</p> <p>["<b>Automatic Early Expiration Date</b>" means [●], subject to adjustment.]]</p> <p>[The above provisions are subject to adjustment as provided in the conditions of the Securities to take into account events in relation to the Underlying Reference or the Securities. This may lead to adjustments being made to the Securities [or, in some cases, the Securities being cancelled at an early expiration amount (see item C.9)].]</p> <p><i>[Insert the formula, relevant value(s) and other related provisions from Annex 1 (Terms and Conditions for the Payouts) in the Base Prospectus in respect of the applicable Automatic Early Redemption Payout]</i></p> <p>[If the Automatic Early Expiration Payout Amount is not an amount in [<i>specify</i>] (the "<b>Settlement Currency</b>"), it will be converted into the Settlement Currency at [<i>insert exchange rate</i>].]</p> <p>["<b>Automatic Early Expiration Event</b>" means [[the SPS AER Value]/[<i>insert in the case of a single Underlying where SPS AER Valuation is not applicable: Underlying Reference Level</i>]/[<i>insert in the case of a Basket of Underlyings where SPS AER Valuation is not applicable: Basket Price</i>] is [greater than]/[greater than or equal to][less than][less than or equal to] [<i>insert Automatic Early Expiration Level</i>]/[an AER Knock-out occurs.]]</p> <p>["<b>Automatic Early Expiration Valuation Date</b>" means [●], subject to adjustment.]</p> <p>["<b>Automatic Early Expiration Date</b>" means [●], subject to adjustment.]]</p> <p>[The above provisions are subject to adjustment as provided in the conditions of the Securities to take into account events in relation to the Underlying Reference or the Securities. This may lead to adjustments being made to the Securities [or, in some cases, the Securities being cancelled at an early expiration amount (see item C.9)].]</p>
C.19	Final reference price of the Underlying	[Not applicable, there is no final reference price of the Underlying.] [The final reference price of the underlying will be determined in accordance with the valuation mechanics set out in [Element C.9] [and] [Element C.18] above]
C.20	Underlying	<p>[Not applicable, there is no underlying]</p> <p>[The Underlying Reference specified in [Element C.9] [and] [Element C.18] above. Information on the Underlying Reference can be obtained from [●].</p>

Element	Title	
		<i>[Insert where the Underlying Reference is an Index and Futures Price Valuation applies: Futures Price Valuation is applicable and the Settlement Price [or First Traded Price] of the Index is determined by reference to the following futures or options contracts relating to such Index: [specify]].]</i>

## Section D – Risks

Element	Title	
<b>D.2</b>	Key risks regarding the Issuer [and the Guarantor]	<p>[Prospective purchasers of the Securities should be experienced with respect to options and options transactions and should understand the risks of transactions involving the Securities. An investment in the Securities presents certain risks that should be taken into account before any investment decision is made. Certain risks may affect the Issuer's ability to fulfil its obligations under the Securities [or the Guarantor's ability to perform its obligations under the Guarantee], some of which are beyond its control. In particular, the Issuer [and the Guarantor], together with the BNPP Group, [is]/[are] exposed to the risks associated with its activities, as described below:</p> <p><b><i>[Issuer]/[Guarantor]</i></b></p> <p><i>[Insert where BNPP is the Issuer or Guarantor, as applicable: As defined in BNPP's 2016 Registration Document (in English) and Annual Financial Report, eight main categories of risk are inherent in BNPP's activities:</i></p> <ol style="list-style-type: none"> <li>(1) <i>Credit Risk</i> - Credit risk is the consequence resulting from the likelihood that a borrower or counterparty will fail to meet its obligations in accordance with agreed terms. The probability of default and the expected recovery on the loan or receivable in the event of default are key components of the credit quality assessment;</li> <li>(2) <i>Securitisation in the Banking Book</i>- Securitisation means a transaction or scheme, whereby the credit risk associated with an exposure or pool of exposures is tranching, having the following characteristics: <ul style="list-style-type: none"> <li>• payments made in the transaction or scheme are dependent upon the performance of the exposure or pool of exposures;</li> <li>• the subordination of tranches determines the distribution of losses during the life of the risk transfer.</li> </ul> <p>Any commitment (including derivatives and liquidity lines) granted to a securitisation operation must be treated as a securitisation exposure. Most of these commitments are held in the prudential banking book;</p> </li> <li>(3) <i>Counterparty Credit Risk</i> - Counterparty credit risk is the translation of the credit risk embedded in financial transactions, investments and/or settlement transactions between counterparties. Those</li> </ol>

Element	Title	
		<p>transactions include bilateral contracts such as over-the-counter ("OTC") derivatives contracts as well as contracts settled through clearing houses. The amount of this risk may vary over time in line with changing market parameters which then impacts the replacement value of the relevant transactions.</p> <p>Counterparty risk lies in the event that a counterparty defaults on its obligations to pay the Bank the full present value of the flows relating to a transaction or a portfolio for which the Bank is a net receiver. Counterparty credit risk is also linked to the replacement cost of a derivative or portfolio in the event of counterparty default. Hence, it can be seen as a market risk in case of default or a contingent risk. Counterparty risk arises both from both bilateral activities of BNP Paribas with clients and clearing activities through a clearing house or an external clearer;</p> <p>(4) <i>Market Risk</i> - Market risk is the risk of incurring a loss of value due to adverse trends in market prices or parameters, whether directly observable or not.</p> <p>Observable market parameters include, but are not limited to, exchange rates, prices of securities and commodities (whether listed or obtained by reference to a similar asset), prices of derivatives, and other parameters that can be directly inferred from them, such as interest rates, credit spreads, volatilities and implied correlations or other similar parameters.</p> <p>Non-observable factors are those based on working assumptions such as parameters contained in models or based on statistical or economic analyses, non-ascertainable in the market.</p> <p>In fixed income trading books, credit instruments are valued on the basis of bond yields and credit spreads, which represent market parameters in the same way as interest rates or foreign exchange rates. The credit risk arising on the issuer of the debt instrument is therefore a component of market risk known as issuer risk.</p> <p>Liquidity is an important component of market risk. In times of limited or no liquidity, instruments or goods may not be tradable or may not be tradable at their estimated value. This may arise, for example, due to low transaction volumes, legal restrictions or a strong imbalance between demand and supply for certain assets.</p> <p>The market risk related to banking activities encompasses the risk of loss on equity holdings on the one hand, and the interest rate and foreign exchange risks stemming from banking intermediation activities on the other hand;</p> <p>(5) <i>Liquidity Risk</i> - Liquidity risk is the risk that BNPP will not be able to honour its commitments or unwind or settle a position due to the</p>



Element	Title	
		<p>market environment or idiosyncratic factors (i.e. specific to BNP Paribas), within a given timeframe and at a reasonable cost.</p> <p>Liquidity risk reflects the risk of the BNPP Group being unable to fulfil current or future foreseen or unforeseen cash or collateral requirements, across all time horizons, from the short to the long term.</p> <p>This risk may stem from the reduction in funding sources, draw down of funding commitments, a reduction in the liquidity of certain assets, or an increase in cash or collateral margin calls. It may be related to the bank itself (reputation risk) or to external factors (risks in some markets).</p> <p>The BNPP Group's liquidity risk is managed under a global liquidity policy approved by the BNPP Group's ALM Committee. This policy is based on management principles designed to apply both in normal conditions and in a liquidity crisis. The BNPP Group's liquidity position is assessed on the basis of internal indicators and regulatory ratios.</p> <p>(6) <i>Operational Risk</i> - Operational risk is the risk of incurring a loss due to inadequate or failed internal processes, or due to external events, whether deliberate, accidental or natural occurrences. Management of operational risk is based on an analysis of the "cause – event – effect" chain.</p> <p>Internal processes giving rise to operational risk may involve employees and/or IT systems. External events include, but are not limited to floods, fire, earthquakes and terrorist attacks. Credit or market events such as default or fluctuations in value do not fall within the scope of operational risk.</p> <p>Operational risk encompasses fraud, human resources risks, legal risks, non-compliance risks, tax risks, information system risks, conduct risks (risks related to the provision of inappropriate financial services), risk related to failures in operating processes, including loan procedures or model risks, as well as any potential financial implications resulting from the management of reputation risks;</p> <p>(7) <i>Compliance and Reputation Risk</i> - Compliance risk is defined in French regulations as the risk of legal, administrative or disciplinary sanctions, of significant financial loss or reputational damage that a bank may suffer as a result of failure to comply with national or European laws and regulations, codes of conduct and standards of good practice applicable to banking and financial activities, or instructions given by an executive body, particularly in application of guidelines issued by a supervisory body.</p> <p>By definition, this risk is a sub-category of operational risk.</p>

Element	Title	
		<p>However, as certain implications of compliance risk involve more than a purely financial loss and may actually damage the institution's reputation, BNPP treats compliance risk separately.</p> <p>Reputation risk is the risk of damaging the trust placed in a corporation by its customers, counterparties, suppliers, employees, shareholders, supervisors and any other stakeholder whose trust is an essential condition for the corporation to carry out its day-to-day operations.</p> <p>Reputation risk is primarily contingent on all the other risks borne by BNPP;</p> <p>(8) <i>Insurance Risk</i> - BNP Paribas Cardif is exposed to the following risks:</p> <ul style="list-style-type: none"> <li>• market risk, risk of a financial loss arising from adverse movements of financial markets. These adverse movements are notably reflected in prices (foreign exchange rates, bond prices, equity and commodity prices, derivatives prices, real estate prices...) and derived from fluctuations in interest rates, credit spreads, volatility and correlation;</li> <li>• credit risk, risk of loss resulting from fluctuations in the credit standing of issuers of securities, counterparties and any debtors to which insurance and reinsurance undertakings are exposed. Among the debtors, risks related to financial instruments (including the banks in which the Company holds deposits) and risks related to receivables generated by the underwriting activities (premium collection, reinsurance recovering...) are distinguished into two categories: "Asset Credit Risk" and "Liabilities Credit Risk";</li> <li>• underwriting risk is the risk of a financial loss caused by a sudden, unexpected increase in insurance claims. Depending on the type of insurance business (life, non-life), this risk may be statistical, macroeconomic or behavioural, or may be related to public health issues or disasters;</li> <li>• operational risk is the risk of loss resulting from the inadequacy or failure of internal processes, IT failures or deliberate external events, whether accidental or natural. The external events mentioned in this definition include those of human or natural origin.</li> </ul> <p>(a) Difficult market and economic conditions have had and may continue to have a material adverse effect on the operating environment for financial institutions and hence on BNPP's financial condition, results of operations and cost of risk.</p>

Element	Title	
		<p>(b) The United Kingdom's referendum to leave the European Union may lead to significant uncertainty, volatility and disruption in European and broader financial and economic markets and hence may adversely affect BNPP's operating environment.</p> <p>(c) Due to the geographic scope of its activities, BNPP may be vulnerable to country or regional-specific political, macroeconomic and financial environments or circumstances.</p> <p>(d) BNPP's access to and cost of funding could be adversely affected by a resurgence of financial crises, worsening economic conditions, rating downgrades, increases in credit spreads or other factors.</p> <p>(e) Significant interest rate changes could adversely affect BNPP's revenues or profitability.</p> <p>(f) The prolonged low interest rate environment carries inherent systemic risks, and an exit from such environment also carries risks.</p> <p>(g) The soundness and conduct of other financial institutions and market participants could adversely affect BNPP.</p> <p>(h) BNPP may incur significant losses on its trading and investment activities due to market fluctuations and volatility.</p> <p>(i) BNPP may generate lower revenues from brokerage and other commission and fee-based businesses during market downturns.</p> <p>(j) Protracted market declines can reduce liquidity in the markets, making it harder to sell assets and possibly leading to material losses.</p> <p>(k) Laws and regulations adopted in recent years, particularly in response to the global financial crisis may materially impact BNPP and the financial and economic environment in which it operates.</p> <p>(l) BNPP is subject to extensive and evolving regulatory regimes in the jurisdictions in which it operates.</p> <p>(m) BNPP may incur substantial fines and other administrative and criminal penalties for non-compliance with applicable laws and regulations, and may also incur losses in related (or unrelated) litigation with private parties.</p> <p>(n) There are risks related to the implementation of BNPP's strategic plans.</p> <p>(o) BNPP may experience difficulties integrating acquired companies and may be unable to realize the benefits expected from its acquisitions.</p>

Element	Title	
		<p>(p) Intense competition by banking and non-banking operators could adversely affect BNPP's revenues and profitability.</p> <p>(q) A substantial increase in new provisions or a shortfall in the level of previously recorded provisions could adversely affect BNPP's results of operations and financial condition.</p> <p>(r) BNPP's risk management policies, procedures and methods may leave it exposed to unidentified or unanticipated risks, which could lead to material losses.</p> <p>(s) BNPP's hedging strategies may not prevent losses.</p> <p>(t) Adjustments to the carrying value of BNPP's securities and derivatives portfolios and BNPP's own debt could have an impact on its net income and shareholders' equity.</p> <p>(u) The expected changes in accounting principles relating to financial instruments may have an impact on BNPP's balance sheet and regulatory capital ratios and result in additional costs.</p> <p>(v) BNPP's competitive position could be harmed if its reputation is damaged.</p> <p>(w) An interruption in or a breach of BNPP's information systems may result in material losses of client or customer information, damage to BNPP's reputation and lead to financial losses.</p> <p>(x) Unforeseen external events may disrupt BNPP's operations and cause substantial losses and additional costs.]</p> <p><i>[Insert where BNPP B.V. is the Issuer:</i></p> <p><b><i>Issuer</i></b></p> <p>The main risks described above in relation to BNPP also represent the main risks for BNPP B.V., either as an individual entity or a company in the BNPP Group.</p> <p><b><i>Dependency Risk</i></b></p> <p>BNPP B.V. is an operating company. The assets of BNPP B.V. consist of the obligations of other BNPP Group entities. The ability of BNPP B.V. to meet its own obligations will depend on the ability of other BNPP Group entities to fulfil their obligations. In respect of securities it issues, the ability of BNPP B.V. to meet its obligations under such securities depends on the receipt by it of payments under certain hedging agreements that it enters with other BNPP Group entities. Consequently, Holders of BNPP B.V. securities will, subject to the provisions of the Guarantee issued by BNPP, be exposed to the ability of BNP Group entities to perform their obligations under such hedging agreements.</p>

Element	Title	
		<p><i>Market Risk</i></p> <p>BNPP B.V. takes on exposure to market risks arising from positions in interest rates, currency exchange rates, commodities and equity products, all of which are exposed to general and specific market movements. However, these risks are hedged by option and swap agreements and therefore these risks are mitigated in principle.</p> <p><i>Credit Risk</i></p> <p>BNPP B.V. has significant concentration of credit risks as all OTC contracts are acquired from its parent company and other BNPP Group entities. Taking into consideration the objective and activities of BNPP B.V. and the fact that its parent company is under supervision of the European Central Bank and the <i>Autorité de Contrôle Prudentiel et de Résolution</i> management considers these risks as acceptable. The long term senior debt of BNP Paribas is rated (A) by Standard &amp; Poor's and (A1) by Moody's.</p> <p><i>Liquidity Risk</i></p> <p>BNPP B.V. has significant liquidity risk exposure. To mitigate this exposure, BNPP B.V. entered into netting agreements with its parent company and other BNPP Group entities.]</p>
<b>D.3</b>	Key risks regarding the Securities	<p>In addition to the risks (including the risk of default) that may affect the Issuer's ability to fulfil its obligations under the Securities [or the Guarantor's ability to perform its obligations under the Guarantee], there are certain factors which are material for the purposes of assessing the risks associated with Securities issued under the Base Prospectus, including:</p> <p><i>[Market Risks</i></p> <p>[Securities are unsecured obligations;]</p> <p>[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;]</p> <p>[Bull and Bear Warrants (ETS Payout 2300/1) are designed for short term trading or intraday trading only because they are valued on the basis of their compounded daily performance;]</p> <p>[the trading price of the Securities is affected by a number of factors including, but not limited to, (in respect of Securities linked to an Underlying Reference) the price of the relevant Underlying Reference(s), time to expiration and volatility and such factors mean that the trading price of the Securities may be below the Cash Settlement Amount or value of the Entitlement;]</p> <p>[exposure to the Underlying Reference in many cases will be achieved by the</p>

Element	Title	
		<p>relevant Issuer entering into hedging arrangements and, in respect of Securities linked to an Underlying Reference, potential investors are exposed to the performance of these hedging arrangements and events that may affect the hedging arrangements and consequently the occurrence of any of these events may affect the value of the Securities;]</p> <p>[the collateral associated with one or more series of Secured Securities may be insufficient to remove a Holder's credit risk on the Issuer;]</p> <p>[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;]</p> <p>[there are also specific risks in relation to dynamic securities which are intrinsically more complex making their evaluation difficult in terms of risk at the time of the purchase as well as thereafter;]]</p> <p><i>[Holder Risks</i></p> <p>[the Securities may have a minimum trading amount and if, following the transfer of any Securities, a Holder holds fewer Securities than the specified minimum trading amount, such Holder will not be permitted to transfer their remaining Securities prior to expiration without first purchasing enough additional Securities in order to hold the minimum trading amount;]</p> <p>[limitations on the exercise of Securities may mean that a Holder is not able to exercise all the Securities that it desires to exercise on a particular date where the Issuer has the option to limit the number of Securities exercisable on any date or may be required to sell or purchase Securities (incurring transaction costs in each case) in order to realise its investment where a minimum number of Securities must be exercised;]</p> <p>[changes in the Cash Settlement Amount during the time lag between a Holder giving instructions to exercise and determination of the Cash Settlement Amount could decrease the Cash Settlement Amount;]</p> <p>[the meetings of Holders provisions permit defined majorities to bind all Holders;]</p> <p>[in certain circumstances Holders may lose the entire value of their investment;]]</p> <p><i>[Issuer/Guarantor Risks</i></p>

Element	Title	
		<p>[if so indicated in the Final Terms the Issuer may elect to vary the settlement of the Securities;]</p> <p>[a reduction in the rating, if any, accorded to outstanding debt securities of the Issuer or Guarantor (if applicable) by a credit rating agency could result in a reduction in the trading value of the Securities;]</p> <p>[certain conflicts of interest may arise (see Element E.4 below);]</p> <p><i>[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 payment may occur at a different time than expected and be made in USD and the market price of such Securities may be volatile;]]</i></p> <p><i>[Legal Risks</i></p> <p>[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;]</p> <p>[the occurrence of an additional disruption event or optional additional disruption event may lead to an adjustment to the Securities or cancellation or may result in the amount payable on settlement being different from the amount expected to be paid on 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;]</p> <p>[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;]</p> <p>[expenses and taxation may be payable in respect of the Securities;]</p> <p>[the Securities may be cancelled in the case of illegality or impracticability and such cancellation may result in an investor not realising a return on an investment in the Securities;]</p> <p>[any judicial decision or change to an administrative practice or change to English law or French law, as applicable, after the date of the Base Prospectus could materially adversely impact the value of any Securities affected by it;]</p> <p>[At the commencement of the offer period, the [issue price] [Gearing] [Gearing Up] [FR Exit Rate] [AER Exit Rate] [Bonus Coupon] [Up Cap Percentage] [Constant Percentage [1]][2][3][4]] [Knock-in Level] [Knock-out Level] will not be known but the Final Terms will specify an indicative range. Prospective investors are required to make their decision to purchase the</p>

Element	Title	
		<p>Securities on the basis of that indicative range prior to the actual [issue price][Gearing][Gearing Up][FR Exit Rate][AER Exit Rate][Bonus Coupon][Up Cap Percentage][Constant Percentage [1][2][3][4]] [Knock-in Level][Knock-out Level] which will apply to the Securities being notified to them. Notice of the actual rate, level or percentage, as applicable, will be published in the same manner as the publication of the Final Terms;]]</p> <p><i>[Secondary Market Risks</i></p> <p>[the only means through which a Holder can realise value from the Security prior to its Exercise Date, is to sell it at its then market price in an available secondary market and that there may be no secondary market for the Securities (which could mean that an investor has to exercise or wait until exercise of the Securities to realise a greater value than its trading value);]</p> <p>[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)].]</p> <p>[BNP Paribas Arbitrage S.N.C. is required to act as market-maker in respect of the Securities. BNP Paribas Arbitrage S.N.C. 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 BNP Paribas Arbitrage S.N.C. 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.]</p> <p><i>[Risks relating to Underlying Reference Asset(s)</i></p> <p>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:</p> <p><i>[Insert in the case of Index Securities:</i> 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]</p> <p><i>[Insert in the case of Share Securities:</i> exposure to one or more share, similar market risks to a direct equity investment, global depositary receipt ("<b>GDR</b>") or American depositary receipt ("<b>ADR</b>"), 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</p>



Element	Title	
		<p>of the Securities]</p> <p><i>[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]</i></p> <p><i>[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]</i></p> <p><i>[Insert in the case of Inflation Index Securities: exposure to an inflation index and adjustments]</i></p> <p><i>[Insert in the case of Currency Securities: exposure to a currency, similar market risks to a direct currency investment and market disruption]</i></p> <p><i>[Insert in the case of Fund Securities: exposure to a fund share or unit, or fund index, 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) or Fund Index(ices), extraordinary fund events which may have an adverse effect on the value or liquidity of the Securities]</i></p> <p><i>[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]</i></p> <p><i>[Insert in the case of Credit Securities: exposure to the credit of one or more reference entities]</i></p> <p><i>[Insert in the case of Underlying Interest Rate Securities: exposure to an underlying interest or CMS rate]</i></p> <p><i>[Insert in the case of Debt Securities: exposure to a debt instrument, similar market risks to a direct debt instrument investment and market disruption]</i></p> <p><i>[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</i></p>

Element	Title	
		<p><i>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].</i></p> <p><i>[Risks relating to specific types of products</i></p> <p>[The following risks are associated with ETS Products:</p> <p style="padding-left: 40px;">[Yield Enhancement Products</p> <p style="padding-left: 40px;">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] [and] [,][knock-out] [and] [automatic early expiration features].]</p> <p style="padding-left: 40px;">[Participation Products</p> <p style="padding-left: 40px;">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 expiration] features].]</p> <p style="padding-left: 40px;">[Leverage Products</p> <p style="padding-left: 40px;">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 expiration] 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 [<i>insert in the case of European Style Warrants: exercise</i>] [<i>insert in the case of American Style Warrants: expiration</i>]. The effect of leverage on the Securities may be either positive or negative.]</p> <p style="padding-left: 40px;">[Constant Leverage Products</p> <p style="padding-left: 40px;">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 exercise feature. Constant Leverage Products 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).]</p> <p>[The following risks are associated with SPS Products:</p> <p style="padding-left: 40px;">[Fixed Percentage Products</p>

Element	Title	
		<p>Investors receive a fixed return on the Securities. [This payout is used in conjunction with [an]other payout[s] to provide investors with partial or total capital protection.]]</p> <p>[Reverse Convertible Products</p> <p>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 event occurs.]</p> <p>[Vanilla Products</p> <p>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.]]</p> <p>[Asian Products</p> <p>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 features].]]</p> <p>[Auto-callable Products</p> <p>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]. Auto-callable Products include automatic early exercise mechanisms. [If an automatic early expiration event occurs investors may be exposed to a partial loss of their investment.]]</p> <p>[Indexation Products</p> <p>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 expiration] features]. [If an automatic early expiration event occurs investors may be exposed to a partial loss of their investment.]]</p> <p>[Ratchet Products</p> <p>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</p>

Element	Title	
		<p>returns determined on a given formula [(which is [capped] [and] [floored])].]</p> <p>[Sum Products</p> <p>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 formulae.]</p> <p>[Option Max Products</p> <p>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 formulae.]</p> <p>[Stellar Products</p> <p>Investors may be exposed to a partial loss of their investment. The return on the Securities depends on the performance of a basket of Underlying References and is calculated based on the average returns of each Underlying Reference in the basket [(which is [capped] [and] [floored])].]</p> <p>[Driver Products</p> <p>Investors may be exposed to a partial loss of their investment. The return on the Securities depends on the performance of a basket of Underlying References. The return is determined by reference to the average return of the basket, where the performance of one or more of the best performing Underlying Reference(s) is set at a fixed level.]]</p> <p>[The following risks are associated with FI Products:</p> <p>[Vanilla Products</p> <p>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].]</p> <p>[Digital Products</p> <p>Investors may be exposed to a partial or total loss of their investment. The return on the Securities is [fixed][variable] and is dependent upon the performance of the Underlying Reference(s) [and the application of [[floor][cap] conditions] [and] [knock-in] [and] [knock-out] features].]</p>

Element	Title	
		<p>[Inflation Products]</p> <p>Inflation Products are capital protected. The return on the Securities depends on the performance of the Underlying Reference(s).]</p> <p><i>[Summarise any further risks from the Risk Factors section of the Base Prospectus relevant to a specific issue of Securities.]</i></p>
<b>D.6</b>	Risk warning	<p>[See Element D.3 above.]</p> <p>In the event of the insolvency of the Issuer or if it is otherwise unable or unwilling to repay the Securities when repayment falls due, an investor may lose all or part of his investment in the Securities.</p> <p><i>[In the case of guaranteed Securities insert:</i></p> <p>If the Guarantor is unable or unwilling to meet its obligations under the Guarantee when due, an investor may lose all or part of his investment in the Securities.]</p> <p><i>[In the case of Securities which are not principal protected insert:</i></p> <p>In addition, investors may lose all or part of their investment in the Securities as a result of the terms and conditions of the Securities.]</p>

## Section E – Offer

Element	Title	
<b>E.2b</b>	Reasons for the offer and use of proceeds	<p>The net proceeds from the issue of the Securities will become part of the general funds of the Issuer. Such proceeds may be used to maintain positions in options or futures contracts or other hedging instruments.</p> <p>[specify other].</p>
<b>E.3</b>	Terms and conditions of the offer	<p>[This issue of Securities is being offered in a Non-Exempt Offer in [specify particular country/ies].] [Not applicable – the Securities are not being offered to the public as part of a Non-exempt Offer.]</p> <p>The issue price of the Securities is [●] per cent. of their nominal amount [which will be payable in [insert Settlement Currency] calculated by reference to [specify exchange rate (including any rates of exchange pursuant to which the relevant rate of exchange is derived), including sources (if any) by which such exchange rate is determined and time/date when such exchange rate will be determined.]]</p>
<b>E.4</b>	Interest of natural and legal persons involved in the issue/offer	<p>[The Managers will be paid aggregate commissions equal to [●] per cent. of the issue price of the Securities.] [Any Manager and its affiliates may also have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer [and the Guarantor] and [its/their] affiliates in the ordinary course of business.]</p> <p>[Other than as mentioned above,[ and save for [specify any other interest that is material].] so far as the Issuer is aware, no person involved in the issue of the Securities has an interest material to the offer, including conflicting interests.]</p>
<b>E.7</b>	Expenses charged to the investor by the Issuer	No expenses are being charged to an investor by the Issuer.

**PRO FORMA ISSUE SPECIFIC SUMMARY OF THE PROGRAMME IN RELATION TO THIS BASE  
PROSPECTUS (IN FRENCH)**

**MODELE DE RÉSUMÉ DU PROGRAMME SPÉCIFIQUE A L'ÉMISSION EN RELATION AVEC LE  
PROSPECTUS DE BASE<sup>4</sup>**

*Les résumés sont établis sur la base des éléments d'informations (ci-après les "Eléments") présentés dans les sections A à E (A.1 à E.7) ci-dessous. Le présent résumé contient tous les Eléments requis pour ce type de Titres [.] et] d'Emetteur [et de Garant]. Dans la mesure où certains Eléments ne sont pas requis, des écarts dans la numérotation des Eléments présentés peuvent être constatés. Par ailleurs, pour certains des Eléments requis pour ce type de Titres [.] et] d'Emetteur [et de Garant(s)], il est possible qu'aucune information pertinente ne puisse être fournie au titre de cet Elément. Dans ce cas, une brève description de l'Elément concerné est présentée dans le Résumé et est accompagnée de la mention « Sans objet ».*

**Section A - Introduction et avertissements**

Elément	Description de l'Elément	
A.1	Avertissement général selon lequel le résumé doit être lu comme une introduction et disposition concernant les actions en justice	<ul style="list-style-type: none"> <li>Le présent résumé doit être lu comme une introduction au Prospectus de Base et aux Conditions Définitives applicables. Dans ce résumé, sauf précision contraire et à l'exception de l'utilisation qui en est faite au premier paragraphe de l'Elément D.3, "Prospectus de Base" signifie le Prospectus de Base de BNPP B.V. et BNPP en date du 7 juin 2017 tel que modifié ou complété à tout moment par le Programme d'Obligations, Warrants et Certificats de BNPP B.V., BNPP et BNP Paribas Fortis Funding. Au premier paragraphe de l'Elément D.3, "Prospectus de Base" signifie le Prospectus de Base de BNPP B.V. et BNPP en date du 7 juin 2017 du Programme d'Obligations, Warrants et Certificats de BNPP B.V., BNPP et BNP Paribas Fortis Funding.</li> <li>Toute décision d'investir dans les Titres concernés doit être fondée sur un examen exhaustif du Prospectus de Base dans son ensemble, y compris tous documents incorporés par référence et les Conditions Définitives applicables.</li> <li>Lorsqu'une action concernant l'information contenue dans le Prospectus de Base et les Conditions Définitives applicables est intentée devant un tribunal d'un Etat Membre de l'Espace Economique Européen, l'investisseur plaignant peut, selon la législation nationale de l'Etat Membre où l'action est intentée, avoir à supporter les frais de traduction de ce Prospectus de Base et des Conditions Définitives applicables avant le début de la procédure judiciaire.</li> <li>Aucune responsabilité civile ne sera recherchée auprès de</li> </ul>

<sup>4</sup> Les éléments entre crochets dans ce Résumé du Programme Spécifique à l'Emission doivent être supprimés ou renseignés tel que demandé, selon les termes de chaque émission, tel que complété par les Conditions Définitives.

Elément	Description de l'Elément	
		<p><b>l'Emetteur [ou du Garant] dans cet Etat Membre sur la seule base du présent résumé, y compris sa traduction, à moins que le contenu du résumé ne soit jugé trompeur, inexact ou contradictoire par rapport aux autres parties du Prospectus de Base et des Conditions Définitives applicables, ou, une fois les dispositions de la Directive 2010/73/UE transposées dans cet Etat Membre, à moins qu'il ne fournisse pas, lu en combinaison avec les autres parties du Prospectus de Base et des Conditions Définitives applicables, les informations clés (telles que définies à l'Article 2.1(s) de la Directive Prospectus) permettant d'aider les investisseurs lorsqu'ils envisagent d'investir dans les Titres.</b></p>
A.2	<p>Consentement à l'utilisation du Prospectus de Base, période de validité et autres conditions y afférentes</p>	<p>[Sans objet – les Titres n'ont pas été offerts au public sous forme d'une Offre Non-exemptée.]</p> <p>[<i>Consentement</i> : Sous réserve des conditions mentionnées ci-dessous, l'Emetteur consent à l'utilisation du Prospectus de Base pour les besoins de la présentation d'une Offre Non-exemptée de Titres par les Agents Placeurs [, <i>[noms des intermédiaires financiers spécifiques énumérés dans les Conditions Définitives]</i>,] [et] [par chaque intermédiaire financier dont le nom est publié sur le site Internet de BNPP (<a href="https://rates-globalmarkets.bnpparibas.com/gm/Public/LegalDocs.aspx">https://rates-globalmarkets.bnpparibas.com/gm/Public/LegalDocs.aspx</a>) qui sont identifiés comme un Offreur Autorisé au titre de l'Offre Non-exemptée concernée [ainsi que tout intermédiaire financier qui est habilité à faire de telles offres en vertu de la législation applicable transposant la Directive concernant les marchés d'instruments financiers (Directive 2004/39/CE), à condition que l'intermédiaire financier en question publie sur son site Internet la déclaration suivante (les passages entre crochets devant être dûment complétés par les informations pertinentes) :</p> <p><i>"Nous, [indiquer la dénomination de l'intermédiaire financier], nous référons à l'offre des [indiquer l'intitulé des Titres concernés] (les "<b>Titres</b>") décrits dans les Conditions Définitives en date du [indiquer la date] (les "<b>Conditions Définitives</b>") publiées par [●] (l' "<b>Emetteur</b>"). En considération de l'offre faite par l'Emetteur de consentir à notre utilisation du Prospectus de Base (tel que défini dans les Conditions Définitives) en relation avec l'offre des Titres dans [préciser les États Membres] durant la Période d'Offre et sous réserve des autres conditions auxquelles ce consentement est soumis, telles qu'elles sont chacune définies dans le Prospectus de Base, nous acceptons par les présentes l'offre faite par l'Emetteur conformément aux Conditions de l'Offreur Autorisé (tel que défini dans le Prospectus de Base) et confirmons que nous utilisons le Prospectus de Base en conséquence."</i>]</p> <p><i>Période d'Offre</i> : Le consentement de l'Emetteur visé ci-dessus est donné pour des Offres Non-exemptées de Titres pendant [<i>préciser ici la période d'offre de l'émission</i>] (la "<b>Période d'Offre</b>").</p> <p><i>Conditions du consentement</i> : Les conditions du consentement de l'Emetteur</p>



Elément	Description de l'Elément	
		<p>[(autre les conditions visées ci-dessus)] sont telles que ce consentement (a) n'est valable que pendant la Période d'Offre ; et (b) ne porte que sur l'utilisation du Prospectus de Base pour faire des Offres Non-exemptées de la Tranche de Titres concernée en [préciser chaque Etat Membre dans lequel la Tranche de Titres concernée peut être offerte].</p> <p><b>UN INVESTISSEUR QUI A L'INTENTION D'ACHETER OU QUI ACHETE DES TITRES DANS UNE OFFRE NON-EXEMPTÉE AUPRÈS D'UN OFFREUR AUTORISÉ LE FERA, ET LES OFFRES ET VENTES DE TELS TITRES À UN INVESTISSEUR PAR CET OFFREUR AUTORISÉ SE FERONT CONFORMÉMENT AUX TERMES ET CONDITIONS DE L'OFFRE EN PLACE ENTRE CET OFFREUR AUTORISÉ ET L'INVESTISSEUR EN QUESTION, NOTAMMENT EN CE QUI CONCERNE LES ARRANGEMENTS CONCERNANT LE PRIX, LES ALLOCATIONS, LES DEPENSES ET LE RÈGLEMENT. LES INFORMATIONS ADEQUATES SERONT ADRESSEES PAR L'OFFREUR AUTORISÉ AU MOMENT DE CETTE OFFRE.]</b></p>

#### Section B - Emetteur [et Garant]

Elément	Description de l'Elément	
<b>B.1</b>	Raison sociale et nom commercial de l'Emetteur	<p>[A indiquer si BNPP B.V. est l'Emetteur : BNP Paribas Issuance B.V. (anciennement BNP Paribas Arbitrage Issuance B.V.) ("<b>BNPP B.V.</b>" ou l'"<b>Emetteur</b>").]</p> <p>[A indiquer si BNPP est l'Emetteur : BNP Paribas ("<b>BNPP</b>", la "<b>Banque</b>" ou l'"<b>Emetteur</b>").]</p>
<b>B.2</b>	Domicile/ forme juridique/ législation/ pays de constitution	<p>[A indiquer si BNPP B.V. est l'Emetteur :</p> <p>L'Emetteur a été constitué aux Pays-Bas sous la forme d'une société non cotée en bourse à responsabilité limitée de droit néerlandais, et son siège social est situé Herengracht 595, 1017 BV Amsterdam, Pays-Bas.]</p> <p>[A indiquer si BNPP est l'Emetteur :</p> <p>L'Emetteur a été constitué en France sous la forme d'une société anonyme de droit français et agréé en qualité de banque, dont le siège social est situé 16, boulevard des Italiens – 75009 Paris, France.]</p>
<b>B.4b</b>	Informations sur les tendances	<p>[A indiquer si BNPP est l'Emetteur:</p> <p><b>Conditions macroéconomiques</b></p> <p>L'environnement macroéconomique et de marché affecte les résultats de</p>

Elément	Description de l'Elément	
		<p>BNPP. Compte tenu de la nature de son activité, BNPP est particulièrement sensible aux conditions macroéconomiques et de marché en Europe, qui ont connu des perturbations au cours des dernières années.</p> <p>En 2016, la croissance mondiale s'est stabilisée légèrement au-dessus de 3 %, malgré un tassement dans les pays avancés. Trois transitions importantes continuent d'influer sur les perspectives mondiales : la diminution de la croissance économique en Chine, les fluctuations des prix de l'énergie qui ont remonté en 2016 et un deuxième durcissement de la politique monétaire aux États-Unis dans le contexte d'une reprise interne résiliente. Il est à noter que les banques centrales de plusieurs grands pays développés continuent par ailleurs de maintenir des politiques monétaires accommodantes. Les prévisions économiques du FMI pour l'année 2017 tablent sur une reprise de l'activité mondiale, une croissance de la zone euro et du Japon qui ne devrait pas montrer d'amélioration notable, et un ralentissement du Royaume-Uni.</p> <p>Dans ce contexte, on peut souligner les deux risques suivants :</p> <p><i>Instabilité financière liée à la vulnérabilité des pays émergents</i></p> <p>Bien que l'exposition du Groupe BNP Paribas dans les pays émergents soit limitée, la vulnérabilité de ces économies peut conduire à des perturbations du système financier mondial qui toucheraient le Groupe BNP Paribas et pourraient affecter ses résultats.</p> <p>On observe en 2016, dans les économies de nombreux pays émergents, une augmentation globale des engagements en devises de ces pays alors que les niveaux d'endettement (en devises comme en monnaie locale) sont déjà élevés. La hausse de cet endettement est surtout le fait du secteur privé. Par ailleurs, les perspectives d'un relèvement progressif des taux directeurs aux États-Unis (première hausse décidée par la Réserve Fédérale en décembre 2015, deuxième en décembre 2016), ainsi qu'une volatilité financière accrue liée aux inquiétudes autour de la croissance et de la montée du risque géo politique dans les pays émergents, ont contribué à un durcissement des conditions financières extérieures, à des sorties de capitaux, à de nouvelles dépréciations monétaires dans beaucoup de pays émergents et à une augmentation des risques pour les banques. Ceci pourrait conduire à de nouvelles dégradations de notations souveraines.</p> <p>Il existe toujours des risques de perturbations sur les marchés mondiaux (hausse des primes de risque, érosion de la confiance, déclin de la croissance, report ou ralentissement de la normalisation des politiques monétaires, baisse de la liquidité des marchés, problème de valorisation des actifs, baisse de l'offre de crédit et désendettement désordonné) qui pourraient affecter l'ensemble des établissements bancaires.</p> <p><i>Risques systémiques liés à la conjoncture et à la liquidité de marché</i></p> <p>En dépit des remontées constatées depuis la mi-2016, les taux restent bas, ce</p>

Elément	Description de l'Elément	
		<p>qui peut continuer de favoriser une prise de risque excessive chez certains acteurs du système financier : augmentation des maturités des financements et des actifs détenus, politique d'octroi de crédit moins sévère, progression des financements à effet de levier.</p> <p>Certains de ces acteurs (assureurs, fonds de pension, gestionnaires d'actifs, etc.) ont une dimension de plus en plus systémique et en cas de turbulences de marché (par exemple liées à une hausse brutale des taux et/ou un réajustement marqué des prix), ces acteurs pourraient être amenés à dénouer de larges positions dans un contexte où la liquidité de marché se révélerait relativement fragile.</p> <p>Par ailleurs, on constate une hausse de la dette (publique comme privée) dans les pays développés comme émergents au cours des années récentes. Le risque afférent pourrait se matérialiser soit en cas de hausse brutale des taux d'intérêt, soit en cas d'un nouveau choc négatif de croissance.</p> <p><b><i>Législation et réglementations applicables aux institutions financières</i></b></p> <p>Les évolutions récentes et à venir des législations et réglementations applicables aux institutions financières peuvent avoir un impact significatif sur BNPP. Les mesures adoptées récemment ou qui sont (ou dont les mesures d'application sont) encore en projet, qui ont, ou sont susceptibles d'avoir un impact sur BNPP, comprennent notamment :</p> <ul style="list-style-type: none"> <li>- les réformes dites structurelles comprenant la loi bancaire française du 26 juillet 2013, imposant aux banques une filialisation ou séparation des opérations dites « spéculatives » qu'elles effectuent pour compte propre de leurs activités traditionnelles de banque de détail, la « règle Volcker » aux États-Unis qui restreint la possibilité des entités bancaires américaines et étrangères de conduire des opérations pour compte propre ou de sponsoriser ou d'investir dans les fonds de capital investissement (« <i>private equity</i> ») et les <i>hedge funds</i>, ainsi que les évolutions attendues en Europe ;</li> <li>- les réglementations sur les fonds propres : la directive européenne sur les exigences prudentielles (« <b>CRD IV</b> ») et le règlement européen sur les exigences prudentielles (« <b>CRR</b> »), le standard international commun de capacité d'absorption des pertes (« <i>total loss-absorbing capacity</i> » ou « TLAC »), et la désignation de BNPP en tant qu'institution financière d'importance systémique par le Conseil de stabilité financière ;</li> <li>- le Mécanisme européen de Surveillance Unique ainsi que l'ordonnance du 6 novembre 2014 ;</li> <li>- la Directive du 16 avril 2014 relative aux systèmes de garantie des dépôts et ses actes délégués et actes d'exécution, la Directive du 15 mai 2014 établissant un cadre pour le Redressement et la</li> </ul>

Elément	Description de l'Elément	
		<p>Résolution des Banques, le Mécanisme de Résolution Unique instituant le Conseil de Résolution Unique et le Fonds de Résolution Unique ;</p> <ul style="list-style-type: none"> <li>- le Règlement final de la Réserve Fédérale des États-Unis imposant des règles prudentielles accrues pour les opérations américaines des banques étrangères de taille importante, notamment l'obligation de créer une société holding intermédiaire distincte située aux États-Unis (capitalisée et soumise à régulation) afin de détenir les filiales américaines de ces banques ;</li> <li>- Les nouvelles règles pour la régulation des activités de dérivés négociés de gré à gré au titre du Titre VII du <i>Dodd-Frank Wall Street Reform and Consumer Protection Act</i> (notamment les exigences de marge pour les produits dérivés non compensés et pour les produits dérivés sur titres conclus par les banques actives sur les marchés de dérivés (« <i>swap dealers</i> »), les principaux intervenants non bancaires sur les marchés de dérivés (« <i>major swap participants</i> »), les banques actives sur les marchés de dérivés sur titres (« <i>security-based swap dealers</i> ») et les principaux intervenants non-bancaires sur les marchés de dérivés sur titres (« <i>major security-based swap participants</i> »), ainsi que les règles de la <i>U.S. Securities and Exchange Commission</i> imposant l'enregistrement des banques actives sur les marchés de dérivés sur titres et des principaux intervenants non-bancaires sur les marchés de dérivés sur titres ainsi que les obligations de transparence et de reporting des transactions de dérivés sur titres ;</li> <li>- la nouvelle directive européenne sur les marchés d'instruments financiers (« <b>MiFID</b> ») et le règlement européen sur les marchés d'instruments financiers (« <b>MiFIR</b> »), ainsi que les réglementations européennes sur la compensation de certains produits dérivés négociés de gré-à-gré par des contreparties centrales et la déclaration des opérations de financement sur titres auprès de référentiels centraux.</li> </ul> <p>Par ailleurs, dans ce contexte réglementaire renforcé, le risque lié au non-respect des législations et réglementations en vigueur, en particulier celles relatives à la protection des intérêts des clients, est un risque important pour l'industrie bancaire, qui s'est traduit par des pertes et amendes importantes. Au-delà de son dispositif de conformité qui couvre spécifiquement ce type de risque, le Groupe BNP Paribas place l'intérêt des clients, et d'une manière plus générale des parties prenantes, au centre de ses valeurs. Le nouveau Code de conduite adopté par le Groupe BNP Paribas en 2016 établit des valeurs et des règles de conduite détaillées dans ce domaine.</p> <p><b>Cyber-risque</b></p> <p>Au cours des années passées, les institutions du secteur financier ont été touchées par nombre de cyber incidents, notamment par des altérations à</p>

Elément	Description de l'Elément	
		<p>grande échelle de données compromettant la qualité de l'information financière. Ce risque perdure aujourd'hui et BNPP, tout comme d'autres établissements bancaires s'est mise en ordre de marche afin de mettre en place des dispositifs permettant de faire face à des cyber attaques propres à détruire ou à endommager des données et des systèmes critiques et à gêner la bonne conduite des opérations. Par ailleurs, les autorités réglementaires et de supervision prennent des initiatives visant à promouvoir l'échange d'informations en matière de cyber sécurité et de cyber criminalité, à améliorer la sécurité des infrastructures technologiques et à mettre en place des plans efficaces de rétablissement consécutifs à un cyber incident.]</p> <p>[A indiquer si BNPP B.V. est l'Emetteur :</p> <p>BNPP B.V. est dépendante de BNPP. BNPP B.V. est une filiale intégralement détenue par BNPP et qui est particulièrement impliquée dans l'émission de titres tels que des obligations, warrants ou certificats ou d'autres obligations qui sont développées, mises en place ou vendues à des investisseurs par d'autres sociétés du Groupe BNP Paribas (y compris BNPP). Les titres sont couverts par l'acquisition d'instruments de couverture et/ou de sûretés auprès de BNP Paribas et d'entités de BNP Paribas tels que décrits dans l'Elément D.2 ci-dessous. Par conséquent, les Informations sur les tendances décrites pour BNPP doivent également s'appliquer à BNPP B.V.]</p>
<b>B.5</b>	Description du Groupe	<p>[A indiquer si BNPP B.V. est l'Emetteur : BNPP B.V. est une filiale intégralement détenue par BNP Paribas. BNP Paribas est la société mère ultime d'un groupe de sociétés et gère les opérations financières de ses sociétés filiales (collectivement : le "<b>Groupe BNPP</b>").]</p> <p>[A indiquer si BNPP est l'Emetteur : BNPP est un leader européen des services bancaires et financiers et possède quatre marchés domestiques de banque de détail en Europe : la Belgique, la France, l'Italie et le Luxembourg. Il est présent dans 74 pays et compte plus de 192.000 collaborateurs, dont plus de 146.000 en Europe. BNPP est la société mère du Groupe BNP Paribas (ensemble le "<b>Groupe BNPP</b>").]</p>
<b>B.9</b>	Prévision ou estimation du bénéfice	Sans objet, en l'absence de prévision ou estimation du bénéfice concernant l'Emetteur au sein du Prospectus de Base sur lequel ce Résumé porte.
<b>B.10</b>	Réserves contenues dans le rapport d'audit	<p>[Sans objet, il n'existe aucune réserve dans le rapport d'audit sur les informations financières historiques contenues dans le Prospectus de Base.]</p> <p>[Le rapport d'audit sur les informations financières historiques contenues dans le Prospectus de Base contient la/les réserve(s) suivante(s) : [décrire la/les réserve(s)].]</p>
<b>B.12</b>	Informations financières historiques clés sélectionnées :	
	[A insérer si BNPP B.V. est l'Emetteur :	
	<b>Données Financières Annuelles Comparées – En EUR</b>	

Elément	Description de l'Elément		
		<b>31/12/2016</b> (auditées)	<b>31/12/2015</b> (auditées)
	Produit Net Bancaire	399.805	315.558
	Résultat Net, part du Groupe	23.307	19.786
	Total du bilan	48.320.273.908	43.042.575.328
	Capitaux Propres (part du Groupe)	488.299	464.992]
	[A insérer si BNPP est l'Emetteur :		
	<b>Données Financières Annuelles Comparées - En millions d'EUR</b>		
		<b>31/12/2016</b> (auditées)	<b>31/12/2015</b> (auditées)
	Produit Net Bancaire	43.411	42.938
	Coût du Risque	(3.262)	(3.797)
	Résultat Net, part du Groupe	7.702	6.694
		<b>31/12/2016</b>	<b>31/12/2015</b>
	Ratio Common Equity Tier 1 (Bâle 3 pleinement appliqué, CRD 4)	11.5%	10,9%
		<b>31/12/2016</b> (auditées)	<b>31/12/2015</b> (auditées)
	Total du bilan consolidé	2.076.959	1.994.193
	Total des prêts et créances sur la clientèle consolidé	712.233	682.497
	Total des dettes envers la clientèle consolidé	765.953	700.309
	Capitaux Propres (part du Groupe)	100.665	96.269
	<b>Données Financières Intermédiaires Comparées pour la période de trois mois se terminant le 31 mars 2017 – En millions d'EUR</b>		
		<b>T1 2017</b> (non auditées)	<b>T1 2016</b> (non auditées)
	Produit Net Bancaire	11.297	10.844

Elément	Description de l'Elément		
	Coût du risque	(592)	(757)
	Résultat Net, part du Groupe	1.894	1.814
		<b>31/03/2017</b>	<b>31/12/2016</b>
	Ratio Common equity Tier 1 (Bâle 3 pleinement applicable, CRD4)	11,6%	11,5%
		<b>31/03/2017 (non auditées)</b>	<b>31/12/2016 (auditées)</b>
	Total du bilan consolidé	2.197.658	2.076.959
	Total des prêts et créances sur la clientèle	718.009	712.233
	Total des dettes envers la clientèle	801.381	765.953
	Capitaux Propres (part du Groupe)	102.076	100.665]
<p><b>Déclarations relatives à l'absence de changement significatif ou de changement défavorable significatif</b></p> <p>Il ne s'est produit aucun changement significatif dans la situation financière ou commerciale du Groupe BNPP depuis le 31 décembre 2016 (date de clôture de la dernière période comptable pour laquelle des états financiers audités ont été publiés).</p> <p>[A insérer si BNPP est l'Emetteur : Il ne s'est produit aucun changement défavorable significatif dans les perspectives de BNPP ou du Groupe BNPP depuis le 31 décembre 2016 (date de clôture de la dernière période comptable pour laquelle des états financiers audités ont été publiés).]</p> <p>[A insérer si BNPP B.V. est l'Emetteur : Il ne s'est produit aucun changement significatif dans la situation financière ou commerciale de BNPP B.V. depuis le 31 décembre 2016 et il ne s'est produit aucun changement défavorable significatif dans les perspectives de BNPP B.V. depuis le 31 décembre 2016.]</p>			
<b>B.13</b>	Evénements impactant la solvabilité de l'Emetteur	<p>[Sans objet, au 7 juin 2017 et à la connaissance de l'Emetteur, il ne s'est produit aucun événement récent qui présente un intérêt significatif pour l'évaluation de la solvabilité de l'Emetteur concerné depuis le 31 décembre 2016].</p> <p>[Préciser tout événement récent présentant un intérêt significatif pour l'évaluation de la solvabilité de l'Emetteur.]</p>	
<b>B.14</b>	Dépendance à l'égard d'autres entités du groupe	<p>[Indiquer si BNPP est l'Emetteur : Sous réserve du paragraphe suivant, BNPP n'est pas dépendant des autres membres du Groupe BNPP.</p> <p>En avril 2004 est entrée en fonctionnement la co-entreprise « BNP Paribas Partners for Innovation » (BP²I) qui, constituée avec IBM France fin 2003, délivre des services d'infrastructure de production informatique pour BNPP et plusieurs de ses filiales françaises (BNP Paribas Personal Finance, BP2S, BNP</p>	

Elément	Description de l'Elément	
		<p>Paribas Cardif...) ou européennes (Suisse, Italie). Mi-décembre 2011, le dispositif contractuel avec IBM France a été renouvelé et prorogé jusqu'à fin 2017. Fin 2012, un accord a été conclu en étendant ce dispositif à BNP Paribas Fortis en 2013. La filiale suisse a été fermée le 31 décembre 2016.</p> <p>BP<sup>2</sup>I est placée sous le contrôle opérationnel d'IBM France ; BNP Paribas exerce une forte influence sur cette entité qu'elle détient à parts égales avec IBM France : les personnels de BNP Paribas mis à disposition de BP<sup>2</sup>I composent la moitié de son effectif permanent, les bâtiments et centres de traitement sont la propriété du Groupe, la gouvernance mise en œuvre garantit contractuellement à BNP Paribas une surveillance du dispositif et sa réintégration au sein du Groupe si nécessaire.</p> <p>ISFS, société détenue à 100 % par le groupe IBM, a pris le nouveau nom de « IBM Luxembourg », et assure également des services d'infrastructure de production informatique pour une partie des entités de BNP Paribas Luxembourg.</p> <p>La production informatique de BancWest est assurée par un fournisseur externe : Fidelity Information Services (<b>FIS</b>) pour son cœur applicatif bancaire. L'hébergement et les opérations de production sont également localisés chez FIS à Honolulu.</p> <p>La production informatique de Cofinoga France est assurée par SDDC, société détenue à 100 % par IBM.</p> <p>Voir également l'Elément B.5 ci-dessus.]</p> <p>[Indiquer, si BNPP B.V. est l'Emetteur : BNPP B.V. est dépendante de BNPP. BNPP B.V. est une filiale intégralement détenue par BNPP et qui est particulièrement impliquée dans l'émission de titres tels que des obligations, warrants ou certificats ou autres obligations qui sont développées, mises en place ou vendues à des investisseurs par d'autres sociétés du Groupe BNPP (y compris BNPP). Les titres sont couverts par l'acquisition d'instruments de couverture et/ou de sûretés auprès de BNP Paribas et d'entités de BNP Paribas tels que décrits dans l'Elément D.2 ci-dessous. Voir également l'Elément B.5 ci-dessus.]</p>
<b>B.15</b>	Principales activités	<p>[A indiquer si BNPP B.V. est l'Emetteur :</p> <p>L'Emetteur a pour activité principale d'émettre et/ou d'acquérir des instruments financiers de toute nature et de conclure des contrats à cet effet pour le compte de différentes entités au sein du Groupe BNPP.]</p> <p>[A indiquer si BNPP est l'Emetteur :</p> <p>BNP Paribas détient des positions clés dans ses deux domaines d'activité:</p> <ul style="list-style-type: none"> <li>• Retail Banking and Services regroupant :</li> </ul>



Elément	Description de l'Elément	
		<ul style="list-style-type: none"> <li>• <i>Domestic Markets</i> composé de : <ul style="list-style-type: none"> <li>• Banque de Détail en France (BDDF),</li> <li>• <i>BNL Banca Commerciale</i> (BNL bc), banque de détail en Italie,</li> <li>• Banque De Détail en Belgique (BDDB),</li> <li>• Autres activités de <i>Domestic Markets</i> y compris la Banque de Détail et des Entreprises au Luxembourg (BDEL);</li> </ul> </li> <li>• <i>International Financial Services</i>, composé de : <ul style="list-style-type: none"> <li>• Europe-Méditerranée,</li> <li>• BancWest,</li> <li>• Personal Finance,</li> <li>• Assurance,</li> <li>• Gestion Institutionnelle et Privée;</li> </ul> </li> <li>• Corporate and Institutional Banking (CIB) regroupant : <ul style="list-style-type: none"> <li>• Corporate Banking,</li> <li>• Global Markets,</li> <li>• Securities Services.]</li> </ul> </li> </ul>
<b>B.16</b>	Actionnaires de contrôle	<p>[A indiquer si BNPP B.V. est l'Emetteur : BNP Paribas détient 100% du capital de l'Emetteur.]</p> <p>[A indiquer si BNPP est l'Emetteur : Aucun des actionnaires existants ne contrôle BNPP, que ce soit directement ou indirectement. Au 31 décembre 2016, les principaux actionnaires étaient la Société Fédérale de Participations et d'Investissement (<b>SFPI</b>), société anonyme d'intérêt public agissant pour le compte du gouvernement belge, qui détient 10,2% du capital social, BlackRock Inc. qui détient 5,2% du capital social et le Grand-Duché de Luxembourg, qui détient 1,0% du capital social. A la connaissance de BNPP, aucun actionnaire autre que SFPI et BlackRock Inc. ne détient plus de 5% de son capital ou de ses droits de vote.</p> <p>Le 4 mai 2017, l'Etat belge par l'intermédiaire de la Société Fédérale de Participations et d'Investissement («<b>SFPI-FPIM</b>») a annoncé la conclusion d'une opération de vente à terme portant sur 31.198.404 actions BNPP détenues par SFPI-FPIM, soit environ 2,5% du capital social. Au moment du dénouement de ces opérations de vente à terme, la participation de la SFPI-</p>

Elément	Description de l'Elément	
		FPIM dans BNPP sera réduite à environ 7,8%.]
B.17	Notations de crédit sollicitées	<p>[A indiquer si BNPP B.V. est l'Emetteur : Les notations de crédit à long terme de BNPP B.V. sont: A avec une perspective stable (Standard &amp; Poor's Credit Market Services France SAS) et les notations à court terme de BNPP B.V. sont : A-1 (Standard &amp; Poor's Credit Market Services France SAS).]</p> <p>[A indiquer si BNPP est l'Emetteur : Les notations de crédit à long terme de BNPP sont : [A avec une perspective stable (Standard &amp; Poor's Credit Market Services France SAS)], [A1 avec une perspective stable (Moody's Investors Service Ltd.)], [A+ avec une perspective stable (Fitch France S.A.S.)] et [AA (low) avec une perspective stable (DBRS Limited)] et les notations de crédit à court terme de BNPP sont [A-1 (Standard &amp; Poor's Credit Market Services France SAS)], [P-1 (Moody's Investors Service Ltd.)], [F1 (Fitch France S.A.S.)] et [R-1 (middle) (DBRS Limited)].</p> <p>[Les Titres [ont été / n'ont pas été] / [il est prévu que les Titres soient] notés [[●] par [●]]. Une notation n'est pas une recommandation d'achat, de vente ou de détention des titres concernés et peut être suspendue, réduite ou révoquée à tout moment par l'agence de notation qui l'a attribuée.]</p>
B.18	Description de la Garantie	<p>[A indiquer dans le cas de Titres de droit anglais non assortis de sûretés émis par BNPP B.V.: Les Titres seront inconditionnellement et irrévocablement garantis par BNP Paribas ("<b>BNPP</b>" ou le "<b>Garant</b>") en vertu d'un acte de garantie de droit anglais signé par BNPP le 7 juin 2017, ou une date approchante (la "<b>Garantie</b>").</p> <p>Dans le cas où BNPP fait l'objet d'un renflouement interne, mais sans que BNPP B.V. n'en fasse l'objet, les obligations et/ou montants dus par BNPP, au titre de la garantie devront être réduits afin de prendre en compte toutes les modifications ou réductions appliquées aux dettes de BNPP résultant de l'application du renflouement interne de BNPP par toute autorité de régulation compétente (y compris dans le cas où la garantie elle-même ne fait pas l'objet d'un tel renflouement interne).]</p> <p>[A indiquer dans le cas de Titres de droit anglais assortis de sûretés émis par BNPP B.V.: Les Titres seront inconditionnellement et irrévocablement garantis par BNP Paribas ("<b>BNPP</b>" ou le "<b>Garant</b>") en vertu d'un acte de garantie de droit anglais signé par BNPP le 7 juin 2017, ou une date approchante (la "<b>Garantie</b>").]</p> <p>[A indiquer dans le cas de Titres de droit français non assortis de sûretés émis par BNPP B.V.: Les Titres seront inconditionnellement et irrévocablement garantis par BNP Paribas ("<b>BNPP</b>" ou le "<b>Garant</b>") en vertu d'une garantie de droit français signé par BNPP le 7 juin 2017, ou une date approchante (la "<b>Garantie</b>").]</p> <p>Dans le cas où BNPP fait l'objet d'un renflouement interne, mais sans que BNPP B.V. n'en fasse l'objet, les obligations et/ou montants dus par BNPP, au</p>

Elément	Description de l'Elément	
		<p>titre de la garantie devront être réduits afin de prendre en compte toutes les modifications ou réductions appliquées aux dettes de BNPP résultant de l'application du renflouement interne de BNPP par toute autorité de régulation compétente (y compris dans le cas où la garantie elle-même ne fait pas l'objet d'un tel renflouement interne).]</p> <p>[A indiquer dans le cas de Titres de droit français assortis de sûretés émis par BNPP B.V.: Les Titres seront inconditionnellement et irrévocablement garantis par BNP Paribas ("<b>BNPP</b>" ou le "<b>Garant</b>") en vertu d'une garantie de droit français signée par BNPP le 7 juin 2017, ou une date approchante (la "<b>Garantie</b>").]</p> <p>[A indiquer dans le cas de Titres de droit anglais non assortis de sûretés, de Titres de droit anglais assortis de sûretés, de Titres de droit français non assortis de sûretés et de Titres de droit français assortis de sûretés émis par BNPP B.V. : Les obligations en vertu de [l'acte de garantie/la garantie] sont des obligations non subordonnées et non assorties de sûretés de BNPP et viendront au même rang que toutes ses autres obligations non subordonnées et non assorties de sûretés soumises à des exceptions qui peuvent au cours du temps être obligatoires en vertu du droit français.]</p> <p>[A indiquer si BNPP est l'Emetteur : Sans objet, les Titres ne sont pas garantis.]</p>
<b>B.19</b>	<p>[Si les Titres sont garantis, insérer :</p> <p>Informations concernant le Garant</p>	
<b>B.19/B.1</b>	Raison sociale et nom commercial du Garant	BNP Paribas
<b>B.19/B.2</b>	Domicile/ forme juridique/ législation/ pays de constitution	Le Garant a été constitué en France sous la forme d'une société anonyme de droit français et agréée en qualité de banque, dont le siège social est situé 16, boulevard des Italiens – 75009 Paris, France.
<b>B.19/B.4b</b>	Informations sur les tendances	<p><b>Conditions macroéconomiques</b></p> <p>L'environnement macroéconomique et de marché affecte les résultats de BNPP. Compte tenu de la nature de son activité, BNPP est particulièrement sensible aux conditions macroéconomiques et de marché en Europe, qui ont connu des perturbations au cours des dernières années.</p> <p>En 2016, la croissance mondiale s'est stabilisée légèrement au-dessus de 3 %, malgré un tassement dans les pays avancés. Trois transitions importantes continuent d'influer sur les perspectives mondiales : la diminution de la croissance économique en Chine, les fluctuations des prix de l'énergie qui ont remonté en 2016 et un deuxième durcissement de la politique monétaire aux États-Unis dans le contexte d'une reprise interne résiliente. Il est à noter que</p>

Elément	Description de l'Elément	
		<p>les banques centrales de plusieurs grands pays développés continuent par ailleurs de maintenir des politiques monétaires accommodantes. Les prévisions économiques du FMI pour l'année 2017 tablent sur une reprise de l'activité mondiale, une croissance de la zone euro et du Japon qui ne devrait pas montrer d'amélioration notable, et un ralentissement du Royaume-Uni.</p> <p>Dans ce contexte, on peut souligner les deux risques suivants :</p> <p><i>Instabilité financière liée à la vulnérabilité des pays émergents</i></p> <p>Bien que l'exposition du Groupe BNP Paribas dans les pays émergents soit limitée, la vulnérabilité de ces économies peut conduire à des perturbations du système financier mondial qui toucheraient le Groupe BNP Paribas et pourraient affecter ses résultats.</p> <p>On observe en 2016, dans les économies de nombreux pays émergents, une augmentation globale des engagements en devises de ces pays alors que les niveaux d'endettement (en devises comme en monnaie locale) sont déjà élevés. La hausse de cet endettement est surtout le fait du secteur privé. Par ailleurs, les perspectives d'un relèvement progressif des taux directeurs aux États-Unis (première hausse décidée par la Réserve Fédérale en décembre 2015, deuxième en décembre 2016), ainsi qu'une volatilité financière accrue liée aux inquiétudes autour de la croissance et de la montée du risque géo politique dans les pays émergents, ont contribué à un durcissement des conditions financières extérieures, à des sorties de capitaux, à de nouvelles dépréciations monétaires dans beaucoup de pays émergents et à une augmentation des risques pour les banques. Ceci pourrait conduire à de nouvelles dégradations de notations souveraines.</p> <p>Il existe toujours des risques de perturbations sur les marchés mondiaux (hausse des primes de risque, érosion de la confiance, déclin de la croissance, report ou ralentissement de la normalisation des politiques monétaires, baisse de la liquidité des marchés, problème de valorisation des actifs, baisse de l'offre de crédit et désendettement désordonné) qui pourraient affecter l'ensemble des établissements bancaires.</p> <p><i>Risques systémiques liés à la conjoncture et à la liquidité de marché</i></p> <p>En dépit des remontées constatées depuis la mi-2016, les taux restent bas, ce qui peut continuer de favoriser une prise de risque excessive chez certains acteurs du système financier : augmentation des maturités des financements et des actifs détenus, politique d'octroi de crédit moins sévère, progression des financements à effet de levier.</p> <p>Certains de ces acteurs (assureurs, fonds de pension, gestionnaires d'actifs, etc.) ont une dimension de plus en plus systémique et en cas de turbulences de marché (par exemple liées à une hausse brutale des taux et/ou un réajustement marqué des prix), ces acteurs pourraient être amenés à dénouer de larges positions dans un contexte où la liquidité de marché se révélerait relativement</p>

Elément	Description de l'Elément	
		<p>fragile.</p> <p>Par ailleurs, on constate une hausse de la dette (publique comme privée) dans les pays développés comme émergents au cours des années récentes. Le risque afférent pourrait se matérialiser soit en cas de hausse brutale des taux d'intérêt, soit en cas d'un nouveau choc négatif de croissance.</p> <p><b><i>Législation et réglementations applicables aux institutions financières</i></b></p> <p>Les évolutions récentes et à venir des législations et réglementations applicables aux institutions financières peuvent avoir un impact significatif sur BNPP. Les mesures adoptées récemment ou qui sont (ou dont les mesures d'application sont) encore en projet, qui ont, ou sont susceptibles d'avoir un impact sur BNPP, comprennent notamment :</p> <ul style="list-style-type: none"> <li>- les réformes dites structurelles comprenant la loi bancaire française du 26 juillet 2013, imposant aux banques une filialisation ou séparation des opérations dites « spéculatives » qu'elles effectuent pour compte propre de leurs activités traditionnelles de banque de détail, la « règle Volcker » aux États-Unis qui restreint la possibilité des entités bancaires américaines et étrangères de conduire des opérations pour compte propre ou de sponsoriser ou d'investir dans les fonds de capital investissement (« <i>private equity</i> ») et les <i>hedge funds</i>, ainsi que les évolutions attendues en Europe ;</li> <li>- les réglementations sur les fonds propres : la directive européenne sur les exigences prudentielles (« <b>CRD IV</b> ») et le règlement européen sur les exigences prudentielles (« <b>CRR</b> »), le standard international commun de capacité d'absorption des pertes (« <i>total loss-absorbing capacity</i> » ou « <b>TLAC</b> »), et la désignation de BNPP en tant qu'institution financière d'importance systémique par le Conseil de stabilité financière ;</li> <li>- le Mécanisme européen de Surveillance Unique ainsi que l'ordonnance du 6 novembre 2014 ;</li> <li>- la Directive du 16 avril 2014 relative aux systèmes de garantie des dépôts et ses actes délégués et actes d'exécution, la Directive du 15 mai 2014 établissant un cadre pour le Redressement et la Résolution des Banques, le Mécanisme de Résolution Unique instituant le Conseil de Résolution Unique et le Fonds de Résolution Unique ;</li> <li>- le Règlement final de la Réserve Fédérale des États-Unis imposant des règles prudentielles accrues pour les opérations américaines des banques étrangères de taille importante, notamment l'obligation de créer une société holding intermédiaire distincte située aux États-Unis (capitalisée et soumise à régulation) afin de détenir les filiales américaines de ces banques ;</li> </ul>

Elément	Description de l'Elément	
		<ul style="list-style-type: none"> <li>- Les nouvelles règles pour la régulation des activités de dérivés négociés de gré à gré au titre du Titre VII du <i>Dodd-Frank Wall Street Reform and Consumer Protection Act</i> (notamment les exigences de marge pour les produits dérivés non compensés et pour les produits dérivés sur titres conclus par les banques actives sur les marchés de dérivés (« <i>swap dealers</i> »), les principaux intervenants non bancaires sur les marchés de dérivés (« <i>major swap participants</i> »), les banques actives sur les marchés de dérivés sur titres (« <i>security-based swap dealers</i> ») et les principaux intervenants non-bancaires sur les marchés de dérivés sur titres (« <i>major security-based swap participants</i> »), ainsi que les règles de la <i>U.S. Securities and Exchange Commission</i> imposant l'enregistrement des banques actives sur les marchés de dérivés sur titres et des principaux intervenants non-bancaires sur les marchés de dérivés sur titres ainsi que les obligations de transparence et de reporting des transactions de dérivés sur titres ;</li> <li>- la nouvelle directive européenne sur les marchés d'instruments financiers (« <b>MiFID</b> ») et le règlement européen sur les marchés d'instruments financiers (« <b>MiFIR</b> »), ainsi que les réglementations européennes sur la compensation de certains produits dérivés négociés de gré-à-gré par des contreparties centrales et la déclaration des opérations de financement sur titres auprès de référentiels centraux.</li> </ul> <p>Par ailleurs, dans ce contexte réglementaire renforcé, le risque lié au non-respect des législations et réglementations en vigueur, en particulier celles relatives à la protection des intérêts des clients, est un risque important pour l'industrie bancaire, qui s'est traduit par des pertes et amendes importantes. Au-delà de son dispositif de conformité qui couvre spécifiquement ce type de risque, le Groupe BNP Paribas place l'intérêt des clients, et d'une manière plus générale des parties prenantes, au centre de ses valeurs. Le nouveau Code de conduite adopté par le Groupe BNP Paribas en 2016 établit des valeurs et des règles de conduite détaillées dans ce domaine.</p> <p><b>Cyber-risque</b></p> <p>Au cours des années passées, les institutions du secteur financier ont été touchées par nombre de cyber incidents, notamment par des altérations à grande échelle de données compromettant la qualité de l'information financière. Ce risque perdure aujourd'hui et BNPP, tout comme d'autres établissements bancaires s'est mise en ordre de marche afin de mettre en place des dispositifs permettant de faire face à des cyber attaques propres à détruire ou à endommager des données et des systèmes critiques et à gêner la bonne conduite des opérations. Par ailleurs, les autorités réglementaires et de supervision prennent des initiatives visant à promouvoir l'échange d'informations en matière de cyber sécurité et de cyber criminalité, à améliorer la sécurité des infrastructures technologiques et à mettre en place des plans efficaces de rétablissement consécutifs à un cyber incident.</p>

Elément	Description de l'Elément			
B.19/B.5	Description du Groupe	BNPP est un leader européen des services bancaires et financiers et possède quatre marchés domestiques de banque de détail en Europe : la Belgique, la France, l'Italie et le Luxembourg. Il est présent dans 74 pays et compte plus de 192.000 collaborateurs, dont plus de 146.000 en Europe. BNPP est la société mère du Groupe BNP Paribas (ensemble le "Groupe BNPP").		
B.19/B.9	Prévision ou estimation du bénéfice	Sans objet, en l'absence de prévision ou estimation du bénéfice concernant le Garant au sein du Prospectus de Base sur lequel ce Résumé porte.		
B.19/B.10	Réserves contenues dans le rapport d'audit	[Sans objet, il n'existe aucune réserve dans le rapport d'audit sur les informations financières historiques contenues dans le Prospectus de Base.] / [Le rapport d'audit sur les informations financiers historiques, contenues dans le Prospectus de Base, contient la ou les réserves suivantes : [décrire la ou les réserves]]		
B.19/B.12	Informations financières historiques clés sélectionnées :			
	Données Financières Annuelles Comparées - En millions d'EUR			
		31/12/2016 (auditées)	31/12/2015 (auditées)	
	Produit Net Bancaire	43.411	42.938	
	Coût du Risque	(3.262)	(3.797)	
	Résultat Net, part du Groupe	7.702	6.694	
		31/12/2016	31/12/2015	
	Ratio Common Equity Tier 1 (Bâle 3 pleinement appliqué, CRD 4)	11,5%	10,9%	
		31/12/2016 (auditées)	31/12/2015 (auditées)	
	Total du bilan consolidé	2.076.959	1.994.193	
	Total des prêts et créances sur la clientèle consolidé	712.233	682.497	
	Total des dettes envers la clientèle consolidé	765.953	700.309	
	Capitaux Propres (part du Groupe)	100.665	96.269	
		Données Financières Intermédiaires Comparées pour la période de trois mois se terminant le 31		

mars 2017 – En millions d’EUR		
	T1 2017 (non auditées)	T1 2016 (non auditées)
Produit Net Bancaire	11.297	10.844
Coût du risque	(592)	(757)
Résultat Net, part du Groupe	1.894	1.814
	<b>31/03/2017</b>	<b>31/12/2016</b>
Ratio Common equity Tier 1 (Bâle 3 pleinement applicable, CRD4)	11,6%	11,5%
	<b>31/03/2017 (non auditées)</b>	<b>31/12/2016 (auditées)</b>
Total du bilan consolidé	2.197.658	2.076.959
Total des prêts et créances sur la clientèle	718.009	712.233
Total des dettes envers la clientèle	801.381	765.953
Capitaux Propres (part du Groupe)	102.076	100.665]
<p><b>Déclarations relatives à l’absence de changement significatif ou de changement défavorable significatif</b></p> <p>Voir Elément B.12 ci-dessus dans le cas du Groupe BNPP.</p> <p>Il ne s’est produit aucun changement défavorable significatif dans les perspectives de BNPP depuis le 31 décembre 2016 (date de clôture de la dernière période comptable pour laquelle des états financiers audités ont été publiés).</p>		
<b>B.19/ B.13</b>	Evénements impactant la solvabilité du Garant	<p>[Sans objet, au 7 juin 2017 et à la connaissance du Garant, il ne s’est produit aucun événement récent qui présente un intérêt significatif pour l’évaluation de la solvabilité du Garant depuis le 31 décembre 2016.]</p> <p>[Préciser tout événement récent présentant un intérêt significatif pour l’évaluation de la solvabilité du Garant.]</p>
<b>B.19/ B.14</b>	Dépendance à l’égard d’autres entités du Groupe	<p>Sous réserve du paragraphe suivant, BNPP n’est pas dépendant des autres membres du Groupe BNPP.</p> <p>En avril 2004 est entrée en fonctionnement la co-entreprise « BNP Paribas Partners for Innovation » (BP²I) qui, constituée avec IBM France fin 2003, délivre des services d’infrastructure de production informatique pour BNPP et plusieurs de ses filiales françaises (BNP Paribas Personal Finance, BP2S, BNP Paribas Cardif...) ou européennes (Suisse, Italie). Mi-décembre 2011, le dispositif contractuel avec IBM France a été renouvelé et prorogé jusqu’à fin 2017. Fin 2012, un accord a été conclu en étendant ce dispositif à BNP</p>



		<p>Paribas Fortis en 2013. La filiale suisse a été fermée le 31 décembre 2016.</p> <p>BP<sup>2</sup>I est placée sous le contrôle opérationnel d'IBM France ; BNP Paribas exerce une forte influence sur cette entité qu'elle détient à parts égales avec IBM France : les personnels de BNP Paribas mis à disposition de BP<sup>2</sup>I composent la moitié de son effectif permanent, les bâtiments et centres de traitement sont la propriété du Groupe, la gouvernance mise en œuvre garantit contractuellement à BNP Paribas une surveillance du dispositif et sa réintégration au sein du Groupe si nécessaire.</p> <p>ISFS, société détenue à 100 % par le groupe IBM, a pris le nouveau nom de « IBM Luxembourg », et assure également des services d'infrastructure de production informatique pour une partie des entités de BNP Paribas Luxembourg.</p> <p>La production informatique de BancWest est assurée par un fournisseur externe : Fidelity Information Services (<b>FIS</b>) pour son cœur applicatif bancaire. L'hébergement et les opérations de production sont également localisés chez FIS à Honolulu.</p> <p>La production informatique de Cofinoga France est assurée par SDDC, société détenue à 100 % par IBM.</p> <p>Voir également Elément B.5 ci-dessus.</p>
<b>B.19/ B.15</b>	Principales Activités	<p>BNP Paribas détient des positions clés dans ses deux domaines d'activité:</p> <ul style="list-style-type: none"> <li>• <b><i>Retail Banking and Services</i></b> regroupant : <ul style="list-style-type: none"> <li>• <i>Domestic Markets</i> composé de : <ul style="list-style-type: none"> <li>• Banque de Détail en France (BDDF),</li> <li>• <i>BNL Banca Commerciale</i> (BNL bc), banque de détail en Italie,</li> <li>• Banque De Détail en Belgique (BDDB),</li> <li>• Autres activités de <i>Domestic Markets</i> y compris la Banque de Détail et des Entreprises au Luxembourg (BDEL);</li> </ul> </li> <li>• <b><i>International Financial Services</i></b>, composé de : <ul style="list-style-type: none"> <li>• Europe-Méditerranée,</li> <li>• BancWest,</li> <li>• Personal Finance,</li> <li>• Assurance,</li> <li>• Gestion Institutionnelle et Privée;</li> </ul> </li> </ul> </li> <li>• <b><i>Corporate and Institutional Banking (CIB)</i></b> regroupant :</li> </ul>

		<ul style="list-style-type: none"> <li>• Corporate Banking,</li> <li>• Global Markets,</li> <li>• Securities Services.</li> </ul>
<b>B.19/ B.16</b>	Actionnaires de contrôle	<p>Aucun des actionnaires existants ne contrôle BNPP, que ce soit directement ou indirectement. Au 31 décembre 2016, les principaux actionnaires sont la Société Fédérale de Participations et d'Investissement (<b>SFPI</b>), société anonyme d'intérêt public agissant pour le compte du gouvernement belge, qui détient 10,2% du capital social, BlackRock Inc. qui détient 5,2% du capital social et le Grand-Duché de Luxembourg, qui détient 1,0% du capital social. A la connaissance de BNPP, aucun actionnaire autre que SFPI et BlackRock Inc. ne détient plus de 5% de son capital ou de ses droits de vote.</p> <p>Le 4 mai 2017, l'Etat belge par l'intermédiaire de la Société Fédérale de Participations et d'Investissement («<b>SFPI-FPIM</b>») a annoncé la conclusion d'opérations de ventes à terme portant sur 31.198.404 actions BNPP détenues par SFPI-FPIM, soit environ 2,5% du capital social. Au moment du dénouement de ces opérations de vente à terme, la participation de la SFPI-FPIM dans BNPP sera réduite à environ 7,8%.</p>
<b>B.19/ B.17</b>	Notations de crédit sollicitées	<p>Les notations de crédit à long terme de BNPP sont : [A avec une perspective stable (Standard &amp; Poor's Credit Market Services France SAS)], [A1 perspective stable (Moody's Investors Service Ltd.)], [A+ perspective stable (Fitch France S.A.S.)] et [AA (<i>low</i>) perspective stable (DBRS Limited)] et les notations de crédit à court terme sont : [A-1 (Standard &amp; Poor's Credit Market Services France SAS)], [P-1 (Moody's Investors Service Ltd.)], [F1 (Fitch France S.A.S.)] et [R-1 (<i>middle</i>) (DBRS Limited)].</p> <p>Une notation n'est pas une recommandation d'achat, de vente ou de détention des titres concernés et peut être suspendue, réduite ou révoquée à tout moment par l'agence de notation qui l'a attribuée.]</p>

### Section C – Valeurs Mobilières

Elément	Description de l'Elément	
<b>C.1</b>	Nature et catégorie des valeurs mobilières/ numéro d'identification (Code ISIN)	<p>Les Titres sont des warrants ("<b>Warrants</b>") et sont émis en Souches. Le Numéro de Souche des Titres est [●]. Le numéro de la Tranche est [●].</p> <p>Le Code ISIN est : [●].</p> <p>Le Code Commun est : [●].</p> <p>Le Code Mnemonic est : [●].</p> <p>[Les Titres seront consolidés et formeront une souche unique avec <i>[identifier les Tranches précédentes]</i> à compter de [la Date d'Emission].]</p> <p>Les Warrants sont soumis au droit [anglais]/[français].</p>

Elément	Description de l'Elément	
		Les Titres sont [des Titres à Règlement en Numéraire/des Titres à Règlement Physique].
C.2	Devise	[La devise de cette Souche de Titres est [●] ([●]).]
C.5	Restrictions à la libre négociabilité	Les Titres seront librement négociables, sous réserve des restrictions d'offre et de vente en vigueur aux États-Unis, dans l'Espace Economique Européen, en Belgique, au Danemark, en Finlande, en France, en Italie, au Luxembourg, en Norvège, au Portugal, en Espagne, en Suède, au Japon et en Australie et conformément à la Directive Prospectus et aux lois de toutes juridictions dans lesquelles les Titres sont offerts ou vendus.
C.8	Droits s'attachant aux Titres	<p>Les Titres émis dans le cadre de ce Prospectus de Base seront soumis à des modalités concernant, entre autres, les questions suivantes :</p> <p><b>Rang de Créance des Titres</b></p> <p><i>[Dans le cas de Titres émis par BNPP B.V.:</i></p> <p>[Les Titres sont émis sur une base [assortie de sûretés/non assortie de sûretés].] <i>[Insérer, dans le cas de Titres émis sur une base non assortie de sûretés :</i> les Titres émis sur une base non assortie de sûretés constituent des obligations non subordonnées et non assorties de sûretés de l'Emetteur et viennent au même rang entre eux.]</p> <p><i>[Insérer dans le cas de Titres émis sur une base assortie de sûretés :</i> les Titres émis sur une base assortie de sûretés ("<b>Titres Assortis de Sûretés</b>") constituent des obligations non subordonnées et assorties de sûretés de l'Emetteur et viendront au même rang entre eux.])</p> <p><i>[Dans le cas de Titres émis par BNPP :</i></p> <p>Les Titres constituent des obligations non subordonnées et non assorties de sûretés de l'Emetteur et viennent au même rang entre eux. Le terme « obligations non subordonnées » fait référence à toutes les obligations senior préférées qui constituent ou dont il est stipulé qu'elles constituent des obligations décrites à l'article L. 613-30-3-I-3° du Code monétaire et financier. Par ailleurs, l'Emetteur ne pourra pas émettre d'obligations senior non préférées dans le cadre de ce Prospectus de Base.]</p> <p><b>[Titres Assortis de Sûretés</b></p> <p>BNPP B.V. consentira une sûreté en faveur de [BNP Paribas Trust Corporation UK Limited] / [●] (l'"<b>Agent des Sûretés</b>") pour le compte de l'Agent des Sûretés et des détenteurs concernés de Titres, sur des actifs (ces actifs étant ci-après dénommés : les "<b>Actifs Donnés en Garantie</b>") qui seront détenus sur un ou plusieurs comptes auprès de [●] (chacun étant ci-après dénommé : un "<b>Compte de Garanties</b>").</p>

Elément	Description de l'Elément	
		<p>[Les Titres Assortis de Sûretés seront garantis par le même pool d'Actifs Donnés en Garantie que d'autres séries de Titres Assortis de Sûretés][Les Titres Assortis de Sûretés seront la seule souche de Titres Assortis de Sûretés garantie par les Actifs Donnés en Garantie détenus sur le Compte de Garanties] (le "<b>Pool de Garanties</b>").</p> <p>Les Actifs Donnés en Garantie composant le Pool de Garanties seront [l'un ou plusieurs] des actifs suivants :</p> <p>a) [[numéraire en Euro]/[numéraire en [●]]]</p> <p>b) [actions ou autres titres de capital [ordinaires]] ; [actions de préférence ou autres titres de capital similaires ;] [actions de préférence ou autres titres de capital ordinaires convertibles ;] [actions de préférence ou autres titres de capital similaires] ; [<i>American depositary receipts</i>;] [<i>global depositary receipts</i>] [warrants] [●] [qui représentent une participation au capital d'une entité] ("<b>Titres de Capital Eligibles Donnés en Garantie</b>") [émis par [●]/[Code ISIN [●]] ;</p> <p>c) [Titres Indexés Donnés en Garantie]/[Titres Indexés sur un Evénement de Crédit Donnés en Garantie][Titres représentant une Participation à un Prêt Donnés en Garantie] [Prêts Donnés en Garantie] [Obligations Convertibles Données en Garantie] [Obligations Echangeables Données en Garantie] [Obligations sécurisées Données en Garantie] [<i>Pfandbriefe</i> Donnés en Garantie] [Obligations Zéro Coupon Données en Garantie] [Titres de Dette Vanille] ABS Eligibles Donnés en Garantie / Fonds Eligibles Donnés en Garantie] [émis par [●]/[Code ISIN [●]] ;</p> <p>L'Emetteur fournira des Actifs Donnés en Garantie au titre [de la valeur des Titres Assortis de Sûretés, réévaluée à la valeur de marché (« <i>marked to market</i> » et, par abréviation « MTM ») ("<b>Garantie MTM</b>")] [d'une partie de la valeur des Titres Assortis de Sûretés, réévaluée à la valeur de marché (« <i>marked to market</i> » et, par abréviation « MTM ») ("<b>Garantie Partielle de la MTM</b>")].</p> <p>L'Emetteur ne détiendra pas les Actifs Donnés en Garantie afférents à des Titres Assortis de Sûretés si lui-même ou l'un de ses affiliés est le propriétaire effectif de ces Titres Assortis de Sûretés.</p> <p>Après la survenance de l'un ou plusieurs des cas de défaut applicables aux Titres Assortis de Sûretés (ces cas de défaut incluant le défaut de paiement, l'inexécution ou le non-respect des obligations de BNPP B.V. ou du Garant en vertu des Titres Assortis de Sûretés, l'insolvabilité ou la liquidation de l'Emetteur ou du Garant) et la délivrance par un titulaire de Titres Assortis de Sûretés d'une notification à cet effet à l'Agent des Sûretés, entre autres, qui n'est pas contestée par BNPP B.V., la sûreté constituée sur chaque Pool de Garanties sera exécutée par l'Agent des Sûretés.</p>

Elément	Description de l'Elément	
		<p>[Si, à la suite de la réalisation ou de l'exécution forcée de la sûreté constituée sur le Pool de Garanties, le montant payé aux titulaires de Titres pour une souche de Titres Assortis de Sûretés est inférieur au montant payable sur ces titres après cette réalisation ou cette exécution forcée, ce déficit sera irrévocablement garanti par BNPP.] [Lors de l'exécution forcée de la sûreté constituée sur le Pool de Garanties, les Actifs Donnés en Garantie et/ou la valeur réalisée grâce à la vente des Actifs Donnés en Garantie qui sont vendus en relation avec l'exécution forcée et la livraison, seront livrés aux titulaires de Titres concernés, sans calcul de tout déficit éventuel [si ces Actifs Donnés en Garantie] sont livrés.]]</p> <p>[Le montant payable en vertu des Titres Assortis de Sûretés après la réalisation ou l'exécution forcée de la sûreté constituée sur un Pool de Garanties sera [le Montant de Liquidation de la Valeur de la Sûreté] [les Produits de Réalisation de la Valeur de la Sûreté].</p> <p><b>Fiscalité</b></p> <p>Le Titulaire devra payer tous les impôts, taxes et/ou frais découlant de l'exercice et du règlement des Titres et/ou de la livraison ou du transfert des actifs dus en cas de Règlement Physique. L'Emetteur devra déduire des montants payables ou des actifs livrables aux Titulaires certains impôts, taxes et frais non antérieurement déduits des montants payés ou des actifs livrés à des Titulaires, que l'Agent de Calcul déterminera comme attribuables aux Titres.</p> <p>Les paiements seront soumis dans tous les cas (i) aux lois et réglementations fiscales ou autres qui leur sont applicables dans le lieu de paiement, (ii) à toute retenue à la source ou tout prélèvement libératoire devant être effectué en vertu d'un accord de la nature décrite à la Section 1471(b) de l'<i>U.S. Internal Revenue Code</i> de 1986 (le "<b>Code</b>"), ou qui est autrement imposé en vertu des Sections 1471 à 1474 du Code, de toutes réglementations ou conventions prises pour leur application, de toutes leurs interprétations officielles ou de toute loi prise pour appliquer une approche intergouvernementale de celles-ci, et (iii) à toute retenue à la source ou tout prélèvement libératoire devant être effectué en vertu de la Section 871(m) du Code.</p> <p>Par ailleurs, pour la détermination du montant de retenue à la source ou de tout prélèvement libératoire devant être effectué en vertu de la Section 871(m) du Code sur tous montants devant être payés au titre des Titres, l'Emetteur sera en droit de retenir tout paiement d'« équivalent de dividende » (<i>dividend equivalent</i>) (tel que défini pour les besoins de la Section 871(m) du Code) à un taux de 30 pour cent.</p> <p><b>Maintien de l'Emprunt à son Rang</b></p> <p>Les modalités des Titres ne contiendront aucune clause de maintien de</p>

Elément	Description de l'Elément	
		<p>l'emprunt à son rang.</p> <p><b>Cas de Défaut</b></p> <p>[A insérer dans le cas de Titres qui ne sont pas Assortis de Sûretés :</p> <p>Les modalités des Titres ne prévoiront pas de cas de défaut.]</p> <p>[A insérer dans le cas de Titres Assortis de Sûretés :</p> <p>Les Cas de Défaut relatifs aux Titres Assortis de Sûretés sont décrits dans cet Elément C.8, sous le paragraphe "Titres Assortis de Sûretés".]</p> <p><b>Assemblées Générales</b></p> <p>[Les modalités des Titres contiendront des dispositions relatives à la convocation d'assemblées générales des titulaires de ces Titres, afin d'examiner des questions affectant leurs intérêts en général. Ces dispositions permettront à des majorités définies de lier tous les titulaires, y compris ceux qui n'auront pas assisté et voté à l'assemblée concernée et ceux qui auront voté d'une manière contraire à celle de la majorité.]</p> <p>[Dans le cas de Titres de droit français : [Les Titulaires de toutes Tranches d'une même Souche, seront automatiquement regroupés, pour la défense de leurs intérêts communs, en une masse (la "<b>Masse</b>").] / [Les Titulaires ne seront pas regroupés en une masse.]]</p> <p><b>Loi applicable</b></p> <p>[Insérer, dans le cas de Titres de droit anglais :</p> <p>Les Titres, le Contrat de Service Financier de droit anglais (tel que modifié ou complété au cours du temps) [, la Garantie relative aux Titres], et tous engagements non-contractuels découlant des Titres, du Contrat de Service Financier de droit anglais (tel que modifié ou complété au cours du temps) [et de la Garantie relative aux Titres] seront régis par le droit anglais, qui gouvernera également leur interprétation.]</p> <p>[Insérer dans le cas de Titres de droit français :</p> <p>Les Titres, le Contrat de Service Financier de droit français (tel que modifié ou complété au cours du temps) [et la Garantie BNPP de droit français] seront régis par le droit français, qui gouvernera également leur interprétation, et toute action ou procédure y afférente relèvera de la compétence des tribunaux compétents dans le ressort de la Cour d'Appel de Paris. BNPP B.V. élit domicile au siège social de BNP Paribas, actuellement situé 16, boulevard des Italiens, 75009 Paris.]</p>
<b>C.9</b>	Intérêts/ Remboursement	<p><b>Intérêts</b></p> <p>Les Titres ne portent pas intérêts et ne donneront lieu à aucun paiement</p>

Elément	Description de l'Elément	
		<p>d'intérêts.</p> <p><b>Remboursement</b></p> <p>A moins qu'il ne soit antérieurement annulé, chaque Titre peut être exercé le [●] [dans les conditions indiquées à l'Elément C.18].</p> <p>[A insérer si la clause de Changement de la Formule de Paiement est applicable: Si l'Emetteur choisit de modifier [la formule de paiement] [[la Formule de Paiement Final] [s'il survient un Cas de Changement Automatique de la Formule de Paiement], [la formule de paiement] [[la Formule de Paiement Final] des Titres sera modifié à compter du [●] (la "<b>Date de Changement de la Formule de Paiement</b>") pour passer à [spécifier la nouvelle formule de paiement issue du changement].</p> <p>"<b>Cas de Changement Automatique de la Formule de Paiement</b>" désigne [préciser].]</p> <p>Les Warrants peuvent être annulés si l'exécution des obligations de l'Emetteur en vertu des Warrants est devenue illégale ou s'il est devenu impossible ou impraticable, en raison d'un cas de force majeure ou du Fait du Prince, pour l'Emetteur d'exécuter ses engagements en vertu des Warrants et/ou de tous accords de couverture connexes. [Les Warrants peuvent également être annulés pour [spécifier toutes autres clauses d'annulation anticipée applicables aux Titres émis] moyennant le paiement de [spécifier le montant payable en cas d'annulation et tous montants maximum et minimum payables en cas d'annulation applicables aux Titres émis]].</p> <p><b>Représentant des Titulaires</b></p> <p>[Aucun représentant des Titulaires n'a été nommé par l'Emetteur.]</p> <p>[Dans le cas de Titres de droit français : [Les noms et adresses du Représentant initial de la Masse et son suppléant sont [●].] / [Les Titulaires ne seront pas regroupés en une masse.]]</p> <p>Sur les droits s'attachant aux Titres, veuillez également vous référer à l'Elément C.8 ci-dessus.</p>
<b>C.10</b>	Paiement des intérêts liés à un ou plusieurs instrument(s) dérivé(s)	<p>Sans objet.</p> <p>Veuillez également vous référer à l'Elément C.9 ci-dessus.</p>
<b>C.11</b>	Admission à la Négociation	<p>[Une demande [a été présentée][doit être présentée] par l'Emetteur (ou pour son compte) en vue de faire admettre les Titres à la négociation sur [Euronext Paris]/[la Bourse de Luxembourg] /[la Bourse Italienne]/[le marché Euro MTF]/[Euronext Bruxelles]/[NASDAQ OMX Helsinki Ltd.]/[Nordic Growth Market]/[●].]</p> <p>[Les Titres ne sont pas destinés à être admis à la négociation sur un marché</p>

Elément	Description de l'Elément	
		quelconque.]
C.15	Description de l'impact de la valeur du sous-jacent sur la valeur de l'investissement	Le [montant payable][les actifs livrables] lors du règlement [est/sont] calculé[s] par référence au/aux Sous-Jacents de Référence. Voir les Eléments C.9 ci-dessus et C.18 ci-dessous.
C.16	Echéance des Titres Dérivés	La Date d'[Exercice][Expiration] des Titres est le [●].
C.17	Procédure de Règlement	Les Titres de cette Souche sont des titres [à règlement en numéraire/à règlement physique].  L'Emetteur [a/n'a pas] l'option de modifier le mode de règlement.
C.18	Produits des Titres Dérivés	<p>Sur les droits s'attachant aux Titres, voir l'Elément C.8 ci-dessus.</p> <p><b>Règlement</b></p> <p>Chaque Titre habilite son titulaire, lors de l'exercice en bonne et due forme, à recevoir de l'Emetteur à la Date de Règlement [<i>Indiquer dans le cas de Warrants à règlement en numéraire</i> : [un Montant de Règlement en Numéraire égal à [●]][<i>Indiquer dans le cas de Warrants à règlement physique</i> : les Droits à Règlement Physique, soit la quantité de [<i>préciser les actifs concernés</i>] (les "<b>Actifs Concernés</b>") égale à :]</p> <p>[Si les Titres sont des Titres Indexés sur un Evénement de Crédit et si une Date de Détermination de l'Evénement survient au titre [de l'] [d'une] [Entité de Référence] [un nombre donné d'Entités de Référence] chaque Titre Indexé sur un Evénement de Crédit sera remboursée au <i>pro rata</i> de son [Montant de Règlement par Enchères, sous réserve d'ajustement de règlement] [Montant de Règlement en Numéraire de l'Evénement de Crédit].</p> <p>[Si aucune Date de Détermination de l'Evénement ne survient au titre [de l'] [d'une] Entité de Référence chaque Titre Indexé sur un Evénement de Crédit deviendra nul sans paiement.]</p> <p><b>Formules de Paiement Final</b></p> <p><b>Formules de Paiement Final des Titres négociés ETS (<i>Exchange Traded Securities</i>)</b></p> <p>[Produits d'Investissements:</p> <p><b>[Rendement Optimisé:</b> produits à terme fixe qui ont un rendement fixe si certaines conditions (y compris [un plafond], [une barrière désactivante] [et] [un exercice automatique anticipé]) relatives à un ou plusieurs Sous-Jacents de Référence sont remplies. Le capital est [totalement]/[partiellement]/[non] garanti.</p> <p>[Formule de Paiement Final ETS 1200]</p>



Elément	Description de l'Elément	
		<p>[Formule de Paiement Final ETS 1240/4]</p> <p>[Formule de Paiement Final ETS 1250/1]</p> <p>[Formule de Paiement Final ETS 1250/4]</p> <p>[Formule de Paiement Final ETS 1250/6]</p> <p>[Formule de Paiement Final ETS 1250/7]</p> <p><i>[Insérer la Formule de Paiement Final applicable telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><i>[Insérer la/les Formules, valeurs, autres informations telles que décrites en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final) dans le Prospectus de Base concernant la Formule de Paiement Final applicable]</i></p> <p><i>[Insérer la description de la Formule de Paiement Final telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><b>[Participation]</b> : produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence. Le calcul du rendement peut être basé sur des mécanismes variés (y compris des mécanismes de [barrière activante]/[barrière désactivante]). Le capital est [totalement]/[partiellement]/[non] garanti.</p> <p>[Formule de Paiement Final ETS 1300]</p> <p>[Formule de Paiement Final ETS 1320/1]</p> <p>[Formule de Paiement Final ETS 1320/3]</p> <p>[Formule de Paiement Final ETS 1399]</p> <p><i>[Insérer la Formule de Paiement Final applicable telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><i>[Insérer la/les Formules, valeurs, autres informations telles que décrites en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final) dans le Prospectus de Base concernant la Formule de Paiement Final applicable]</i></p> <p><i>[Insérer la description de la Formule de Paiement Final telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><b>[Produits à effet de levier]</b> :</p> <p><b>[Effet de Levier]</b> : produits à terme fixe qui ont un rendement indexé sur la</p>

Elément	Description de l'Elément	
		<p>performance [linéaire]/[non- linéaire] du Sous-Jacent de Référence. Le calcul du rendement peut être basé sur des mécanismes variés (y compris des mécanismes de barrière désactivante). Le capital n'est pas garanti.</p> <p>[Formule de Paiement Final ETS 2100]</p> <p>[Formule de Paiement Final ETS 2110/1]</p> <p>[Formule de Paiement Final ETS 2110/2]</p> <p>[Formule de Paiement Final ETS 2110/3]</p> <p>[Formule de Paiement Final ETS 2110/4]</p> <p>[Formule de Paiement Final ETS 2200/1]</p> <p>[Formule de Paiement Final ETS 2200/2]</p> <p><i>[Insérer la Formule de Paiement Final applicable telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><i>[Insérer la/les Formules, valeurs, autres informations telles que décrites en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final) dans le Prospectus de Base concernant la Formule de Paiement Final applicable]</i></p> <p><i>[Insérer la description de la Formule de Paiement Final telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><b>[Effet de levier Constant:</b> produits à terme fixe qui ont un rendement calculé par référence à un effet de levier quotidien fixé sur la performance positive ou négative d'un ou plusieurs Sous-Jacents de Référence. Le capital n'est pas garanti.</p> <p>[Formule de Paiement Final ETS 2300/1]</p> <p><i>[Insérer la Formule de Paiement Final applicable telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><i>[Insérer la/les Formules, valeurs, autres informations telles que décrites en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final) dans le Prospectus de Base concernant la Formule de Paiement Final applicable]</i></p> <p><i>[Insérer la description de la Formule de Paiement Final telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><b>Formules de Paiement Final des Titres Structurés SPS (Structured Products Securities)</b></p>

Elément	Description de l'Elément	
		<p><b>[Titres Fixed Percentage</b> : produits à terme fixe qui ont un rendement égal à un pourcentage fixe.]</p> <p><i>[Insérer la Formule de Paiement Final applicable telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><i>[Insérer la/les Formules, valeurs, autres informations telles que décrites en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final) dans le Prospectus de Base concernant la Formule de Paiement Final applicable]</i></p> <p><i>[Insérer la description de la Formule de Paiement Final telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><b>[Titres Reverse Convertible</b> : produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence et au niveau d'une barrière activante. Le capital n'est pas garanti.</p> <p><b>[Reverse Convertible]</b></p> <p><b>[Reverse Convertible Standard]</b></p> <p><i>[Insérer la Formule de Paiement Final applicable telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><i>[Insérer la/les Formules, valeurs, autres informations telles que décrites en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final) dans le Prospectus de Base concernant la Formule de Paiement Final applicable]</i></p> <p><i>[Insérer la description de la Formule de Paiement Final telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><b>[Titres Vanilla</b>: produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence. Le calcul du rendement peut être basé sur des mécanismes variés [(y compris des mécanismes de [barrière activante]/[barrière désactivante])]. Le capital est [totalement]/[partiellement]/[non] garanti.</p> <p><b>[Call]</b></p> <p><b>[Call Spread]</b></p> <p><b>[Put]</b></p> <p><b>[Put Spread]</b></p> <p><b>[Digital]</b></p>

Elément	Description de l'Elément	
		<p><b>[Knock-in Call]</b></p> <p><b>[Knock-out Call]</b></p> <p><i>[Insérer la Formule de Paiement Final applicable telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><i>[Insérer la/les Formules, valeurs, autres informations telles que décrites en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final) dans le Prospectus de Base concernant la Formule de Paiement Final applicable]</i></p> <p><i>[Insérer la description de la Formule de Paiement Final telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><b>[Titres Asian]</b> : produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence déterminé grâce à une méthode de moyenne. [Le calcul du rendement peut être basé sur des mécanismes divers (y compris des mécanismes [de plafond]/[de lock-in]). Le capital est [totalement]/[partiellement]/[non] garanti.</p> <p><b>[Asian]</b></p> <p><b>[Asian Spread]</b></p> <p><b>[Himalaya]</b></p> <p><i>[Insérer la Formule de Paiement Final applicable telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><i>[Insérer la/les Formules, valeurs, autres informations telles que décrites en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final) dans le Prospectus de Base concernant la Formule de Paiement Final applicable]</i></p> <p><i>[Insérer la description de la Formule de Paiement Final telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><b>[Titres Auto-callable]</b>: produits à terme fixe qui incluent un mécanisme d'exercice anticipé automatique. Le rendement est indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence. Le rendement est calculé par référence à des mécanismes divers [(y compris des mécanismes de barrière activante)]. Le capital est [totalement]/[partiellement]/[non] garanti.</p> <p><b>[Autocall]</b></p> <p><b>[Autocall One Touch]</b></p>

Elément	Description de l'Elément	
		<p><b>[Autocall Standard]</b></p> <p><i>[Insérer la Formule de Paiement Final applicable telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><i>[Insérer la/les Formules, valeurs, autres informations telles que décrites en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final) dans le Prospectus de Base concernant la Formule de Paiement Final applicable]</i></p> <p><i>[Insérer la description de la Formule de Paiement Final telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><b>[Titres Indexés]</b>: produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence. Le calcul du rendement peut être basé sur plusieurs mécanismes [(y compris des mécanismes de [barrière activante]/[barrière désactivante])]. Le capital est [totalement]/[partiellement]/[non] garanti.</p> <p><b>[Certi plus : Booster]</b></p> <p><b>[Certi plus : Bonus]</b></p> <p><b>[Certi plus : Leveraged]</b></p> <p><b>[Certi plus : Twin Win]</b></p> <p><b>[Certi plus : Super Sprinter]</b></p> <p><b>[Certi plus : Generic]</b></p> <p><b>[Certi plus : Generic Knock-in]</b></p> <p><b>[Certi plus : Generic Knock-out]</b></p> <p><i>[Insérer la Formule de Paiement Final applicable telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><i>[Insérer la/les Formules, valeurs, autres informations telles que décrites en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final) dans le Prospectus de Base concernant la Formule de Paiement Final applicable]</i></p> <p><i>[Insérer la description de la Formule de Paiement Final telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><b>[Titres Ratchet]</b>: produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence. Le rendement est égal à la somme des rendements déterminés par application d'une formule</p>

Elément	Description de l'Elément	
		<p>(qui est [plafonnée]/[soumise à un plancher]). Le capital est [totalement]/[partiellement]/[non] garanti.</p> <p><i>[Insérer la Formule de Paiement Final applicable telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><i>[Insérer la/les Formules, valeurs, autres informations telles que décrites en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final) dans le Prospectus de Base concernant la Formule de Paiement Final applicable]</i></p> <p><i>[Insérer la description de la Formule de Paiement Final telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><b>[Titres Sum:</b> produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence. Le calcul du rendement est égal à la somme pondérée des rendements déterminés par application de différentes formules de paiement. Le capital est [totalement]/[partiellement]/[non] garanti.</p> <p><i>[Insérer la Formule de Paiement Final applicable telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><i>[Insérer la/les Formules, valeurs, autres informations telles que décrites en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final) dans le Prospectus de Base concernant la Formule de Paiement Final applicable]</i></p> <p><i>[Insérer la description de la Formule de Paiement Final telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><b>[Titres Option Max:</b> produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence. Le rendement est égal au rendement maximum déterminé par l'application de plusieurs formules de paiement final. Le capital est [totalement]/[partiellement]/[non] garanti.</p> <p><i>[Insérer la Formule de Paiement Final applicable telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><i>[Insérer la/les Formules, valeurs, autres informations telles que décrites en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final) dans le Prospectus de Base concernant la Formule de Paiement Final applicable]</i></p> <p><i>[Insérer la description de la Formule de Paiement Final telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p>

Elément	Description de l'Elément	
		<p><b>[Titres Stellar:</b> produits à terme fixe qui ont un rendement indexé sur la performance d'un panier de Sous-Jacents de Référence. Le calcul du rendement, qui est soumis à un plancher est composé d'une moyenne des rendements de chaque Sous-Jacent de Référence dans le panier, chacun étant soumis à un plafond et un plancher.</p> <p><i>[Insérer la Formule de Paiement Final applicable telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><i>[Insérer la/les Formules, valeurs, autres informations telles que décrites en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final) dans le Prospectus de Base concernant la Formule de Paiement Final applicable]</i></p> <p><i>[Insérer la description de la Formule de Paiement Final telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><b>[Titres Driver:</b> produits à terme fixe qui ont un rendement indexé sur la performance d'un panier de Sous-Jacents de Référence. Le calcul du rendement qui est soumis à un plancher est déterminé par référence à la moyenne des rendements du panier, où la performance d'un ou plusieurs Sous-Jacents de Référence ayant la meilleure performance est fixée à un niveau déterminé.</p> <p><i>[Insérer la Formule de Paiement Final applicable telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><i>[Insérer la/les Formules, valeurs, autres informations telles que décrites en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final) dans le Prospectus de Base concernant la Formule de Paiement Final applicable]</i></p> <p><i>[Insérer la description de la Formule de Paiement Final telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><b>Formules de Paiement Final Revenu Fixe (FI)</b></p> <p><b>[Titres FI FX Vanilla:</b> produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence. Le rendement est basé sur plusieurs mécanismes [(y compris des mécanismes de [barrière activante]/[barrière désactivante])]. Le capital est [totalelement]/[partiellement]/[non] garanti.</p> <p><i>[Insérer la Formule de Paiement Final applicable telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><i>[Insérer la/les Formules, valeurs, autres informations telles que décrites en</i></p>

Elément	Description de l'Elément	
		<p><i>Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final) dans le Prospectus de Base concernant la Formule de Paiement Final applicable]</i></p> <p><i>[Insérer la description de la Formule de Paiement Final telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><b>[Titres Digital</b> : produits à terme fixe qui ont un rendement [fixe] [variable] dépendant de la performance d'un ou plusieurs Sous-Jacents de Référence. Le rendement est calculé par référence à des mécanismes variés [(y compris des mécanismes de [plancher]/[plafond] [et] [barrière activante]/[barrière désactivante])].</p> <p><b>[Digital Floor]</b></p> <p><b>[Digital Cap]</b></p> <p><b>[Digital Plus]</b></p> <p><i>[Insérer la Formule de Paiement Final applicable telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><i>[Insérer la/les Formules, valeurs, autres informations telles que décrites en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final) dans le Prospectus de Base concernant la Formule de Paiement Final applicable]</i></p> <p><i>[Insérer la description de la Formule de Paiement Final telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><b>[Titres liés à l'inflation</b>: produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence.</p> <p><i>[Insérer la Formule de Paiement Final applicable telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><i>[Insérer la/les Formules, valeurs, autres informations telles que décrites en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final) dans le Prospectus de Base concernant la Formule de Paiement Final applicable]</i></p> <p><i>[Insérer la description de la Formule de Paiement Final telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><b>Montant des Droits à Règlement Physique</b></p> <p><i>[Insérer le Montant des Droits à Règlement Physique applicable tel que décrit en Annexe 1 (Modalités additionnelles applicables aux Formules de</i></p>



Elément	Description de l'Elément	
		<p><i>Paie ment Final)]</i></p> <p><b>[Livraison du Sous-Jacent le Moins Performant]</b></p> <p><b>[Livraison du Sous-Jacent le Plus Performant]</b></p> <p><b>[Livraison du Sous-Jacent]</b></p> <p><b>[Montant des Droits à Règlement Physique Equivalent]</b></p> <p><i>[Insérer la/les Formules, valeurs, autres informations telles que décrites en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final) dans le Prospectus de Base concernant le Montant des Droits à Règlement Physique applicable]</i></p> <p><i>[Insérer si Livraison du Sous-Jacent le Moins Performant, Livraison du Sous-Jacent le Plus Performant ou Livraison du Sous-Jacent est spécifiée :</i></p> <p>Le Montant du Droit à Règlement Physique sera arrondi à la baisse à l'unité la plus proche de chaque Actif Concerné pouvant être livré et, l'Emetteur paiera, au lieu de celui-ci, un montant égal à l'Arrondi et au Montant Résiduel.]</p> <p><b>[Exercice Anticipée Automatique]</b></p> <p>Si, [lors de toute Date d'Evaluation de l'Expiration Anticipée Automatique][au cours d'une [Période de Valorisation d'Expiration Anticipée Automatique] il survient un [Cas d'Expiration Anticipée Automatique], les Titres seront annulés pour le Montant de Formule de Paiement en cas d'Expiration Anticipée Automatique à la Date d'Expiration Anticipée Automatique.</p> <p>[Le Montant de Paiement en cas d'Expiration Anticipée Automatique sera égal à :</p> <p><b>[Formule de Paiement en cas de Remboursement Anticipé Automatique 2200/1]</b></p> <p><b>[Formule de Paiement en cas de Remboursement Anticipé Automatique 2200/2]</b></p> <p><b>[Formule de Paiement en cas de Remboursement Anticipé Automatique SPS]</b></p> <p><b>[Formule de Paiement en cas de Remboursement Anticipé du Sous-Jacent FI]</b></p> <p><i>[Insérer la Formule de Paiement en cas de Remboursement Anticipé Automatique applicable telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><i>[Insérer la/les Formules, valeurs, autres informations telles que décrites en</i></p>

Elément	Description de l'Elément	
		<p><i>Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final) dans le Prospectus de Base concernant la Formule de Paiement en cas de Remboursement Anticipé Automatique applicable]</i></p> <p><i>[Insérer la description du Remboursement Anticipé Automatique applicable tel que décrit en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p>[Si le Montant d'Expiration Anticipée Automatique calculé conformément à la Formule de Paiement n'est pas un montant en <i>[préciser]</i> (la "<b>Devise de Règlement</b>"), il sera converti dans la Devise de Règlement au taux de <i>[préciser le taux de change]</i>.]</p> <p>["<b>Cas d'Expiration Anticipée Automatique</b>"] désigne [la Valeur SPS AER]/[le <i>[insérer dans le cas d'un seul Sous-Jacent quand Valorisation SPS AER n'est pas applicable : Niveau de Référence du Sous-Jacent]</i> /<i>[insérer dans le cas d'un Panier de Sous-Jacents de Référence quand Valorisation SPS AER n'est pas applicable : Prix du Panier]</i> est [supérieur à]/[supérieur ou égal à]/[inférieur à]/[inférieur ou égal à] <i>[insérer le Niveau d'Expiration Anticipée Automatique]</i>]/[un Knock-out AER intervient.]].</p> <p>["<b>Date d'Evaluation de l'Expiration Anticipée Automatique</b>"] désigne [●], sous réserve d'ajustement.]</p> <p>["<b>Date d'Expiration Anticipée Automatique</b>"] désigne [●], sous réserve d'ajustements.]]</p> <p>[Les stipulations ci-dessus sont sujettes à des ajustements tel que prévu dans les modalités des Titres pour tenir compte des événements en relation avec le Sous-Jacent de Référence ou les Titres. Cela pourrait conduire à la réalisation d'ajustement des Titres [ou dans certain cas à l'exigibilité anticipée pour le montant d'expiration anticipé (voir l'Elément C.9)].]</p> <p><i>[Insérer la/les Formules, valeurs, autres informations telles que décrites en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final) dans le Prospectus de Base concernant la Formule de Paiement en cas de Remboursement Anticipé Automatique applicable]</i></p> <p>[Si le Montant d'Expiration Anticipée Automatique calculé conformément à la Formule de Paiement n'est pas un montant en <i>[préciser]</i> (la "<b>Devise de Règlement</b>"), il sera converti dans la Devise de Règlement au taux de <i>[préciser le taux de change]</i>.]</p> <p>["<b>Cas d'Expiration Anticipée Automatique</b>"] désigne [la Valeur SPS AER]/[le <i>[insérer dans le cas d'un seul Sous-Jacent quand Valorisation SPS AER n'est pas applicable : Niveau de Référence du Sous-Jacent]</i> /<i>[insérer dans le cas d'un Panier de Sous-Jacents de Référence quand Valorisation SPS AER n'est pas applicable : Prix du Panier]</i> est [supérieur à]/[supérieur ou égal à]/[inférieur à]/[inférieur ou égal à] <i>[insérer le Niveau d'Expiration</i></p>

Elément	Description de l'Elément	
		<p><i>Anticipée Automatique</i>]]/[un Knock-out AER intervient.]].</p> <p><b>[Date d'Evaluation de l'Expiration Anticipée Automatique]</b> désigne [●], sous réserve d'ajustement.]</p> <p><b>["Date d'Expiration Anticipée Automatique"]</b> désigne [●], sous réserve d'ajustements.]]</p> <p>[Les stipulations ci-dessus sont sujettes à des ajustements tel que prévu dans les modalités des Titres pour tenir compte des événements en relation avec le Sous-Jacent de Référence ou les Titres. Cela pourrait conduire à la réalisation d'ajustement des Titres [ou dans certain cas à l'exigibilité anticipée pour le montant d'expiration anticipé (voir l'Elément C.9)].]</p>
<b>C.19</b>	Prix de Référence Final du Sous-Jacent	[Sans objet, il n'existe aucun prix de référence final du Sous-Jacent.] [Le prix de référence final du Sous-Jacent sera déterminé selon le mécanisme d'évaluation indiqué dans [l'Elément C.9] [et] [l'Elément C.18] ci-dessus.]
<b>C.20</b>	Sous-Jacent de Référence	<p>[Sans objet, il n'y a pas de sous-jacent]</p> <p>[Le Sous-Jacent de Référence spécifié dans l'Elément C.9] [et] [l'Elément C.18] ci-dessus. Des informations relatives au Sous-Jacent de Référence peuvent être obtenues auprès de [●]. <i>[Insérer quand Sous-Jacent de Référence est un Indice et que Valorisation du Prix sur Instruments à Terme s'applique : Valorisation du Prix sur Instruments à Terme est applicable et le Prix de Règlement [ou Premier Prix Négocié] de l'Indice est déterminé par référence au contrat à terme ou contrat d'options suivant lié à cet Indice :[préciser]].]</i></p>

## Section D – Risques

Elément	Description de l'Elément	
<b>D.2</b>	Principaux risques propres à l'Emetteur [et au Garant]	<p>Les acquéreurs prospectifs de Tires émis en vertu de ce Prospectus de Base devraient avoir l'expérience concernant les options et les transactions d'options et devraient comprendre les risques des transactions impliquant les Titres. Un investissement dans les Titres présente certains risques qui devraient être pris en considération avant qu'une décision d'investissement soit prise. Il existe certains facteurs pouvant affecter la capacité de l'Emetteur à remplir ses engagements en vertu des Titres [ou la capacité du Garant à remplir ses engagements en vertu de la Garantie], dont certains sont en dehors de son contrôle. Plus particulièrement, l'Emetteur [(et le Garant)], ensemble avec le Groupe BNPP, [est]/[sont] exposé[s] aux risques inhérents à ses activités, tels que décrits ci-dessous :</p> <p><b>[Emetteur]/[Garant]</b></p>

Elément	Description de l'Elément	
		<p>[Insérer lorsque BNPP est l'Emetteur ou le Garant, le cas échéant : Huit principaux risques, tels que définis dans la version anglaise du document de référence et rapport financier annuel 2016, sont inhérents aux activités de BNPP :</p> <p>(1) <i>Risque de crédit</i> – le risque de crédit est défini comme la conséquence liée à la probabilité que l'emprunteur ou une contrepartie ne remplisse pas ses obligations conformément aux conditions convenues. L'évaluation de cette probabilité de défaut et du taux de recouvrement du prêt ou de la créance en cas de défaut est un élément essentiel de l'évaluation de la qualité du crédit ;</p> <p>(2) <i>Titrisation en portefeuille bancaire</i> – La titrisation est une opération ou un montage par lequel le risque de crédit associé à une exposition ou à un ensemble d'expositions est subdivisé en tranches, et qui présente les caractéristiques suivantes :</p> <ul style="list-style-type: none"> <li>• les paiements effectués dans le cadre de l'opération ou du montage dépendent de la performance de l'exposition ou de l'ensemble d'expositions d'origine ;</li> <li>• la subordination des tranches détermine la répartition des pertes pendant la durée du transfert de risque.</li> </ul> <p>Tout engagement pris dans le cadre d'une structure de titrisation (y compris les dérivés et les lignes de liquidité) est considéré comme une exposition de titrisation. L'essentiel de ces engagements est en portefeuille bancaire prudentiel ;</p> <p>(3) <i>Risque de contrepartie</i> – Le risque de contrepartie est la manifestation du risque de crédit à l'occasion d'opérations de marché, d'investissements, et/ou de règlements. Ces opérations comprennent les contrats bilatéraux, c'est-à-dire de gré à gré (<i>over-the-counter</i> – OTC) ainsi que les contrats compensés auprès d'une chambre de compensation. Le montant de ce risque varie au cours du temps avec l'évolution des paramètres de marché affectant la valeur potentielle future des transactions concernées.</p> <p>Il correspond au risque que la contrepartie ne puisse pas honorer ses obligations de verser à la Banque l'intégralité de la valeur actualisée des flux d'une transaction dans le cas où la Banque est un bénéficiaire net. Le risque de contrepartie est également lié au coût de remplacement d'un instrument dérivé en cas de défaut de la contrepartie. Il peut être considéré comme un risque de marché en cas de défaut ou comme un risque contingent. Le risque de contrepartie résulte à la fois des activités bilatérales de BNP Paribas avec ses clients et des activités de clearing au travers d'une chambre de compensation ou d'un compensateur externe.</p>

Elément	Description de l'Elément	
		<p>(4) <i>Risque de marché</i> – Le risque de marché est le risque de perte de valeur provoqué par une évolution défavorable des prix ou des paramètres de marché, que ces derniers soient directement observables ou non.</p> <p>Les paramètres de marché observables sont, sans que cette liste soit exhaustive, les taux de change, les cours des valeurs mobilières et des matières premières négociables (que le prix soit directement coté ou obtenu par référence à un actif similaire), le prix de dérivés ainsi que tous les paramètres qui peuvent être induits de ceux-là, comme les taux d'intérêt, les marges de crédit, les volatilités ou les corrélations implicites ou d'autres paramètres similaires.</p> <p>Les paramètres non observables sont ceux fondés sur des hypothèses de travail comme les paramètres contenus dans les modèles ou basés sur des analyses statistiques ou économiques qui ne sont pas vérifiables sur le marché.</p> <p>Dans les portefeuilles de négoce obligataire, les instruments de crédit sont valorisés sur la base des taux obligataires et des marges de crédit, lesquels sont considérés comme des paramètres de marché au même titre que les taux d'intérêt ou les taux de change. Le risque sur le crédit de l'émetteur de l'instrument est ainsi un composant du risque de marché, appelé risque émetteur.</p> <p>L'absence de liquidité est un facteur important de risque de marché. En cas de restriction ou de disparition de la liquidité, un instrument ou un actif marchand peut ne pas être négociable ou ne pas l'être à sa valeur estimée, par exemple du fait d'une réduction du nombre de transactions, de contraintes juridiques ou encore d'un fort déséquilibre de l'offre et de la demande de certains actifs.</p> <p>Le risque relatif aux activités bancaires recouvre le risque de perte sur les participations en actions d'une part, et le risque de taux et de change relatifs aux activités d'intermédiation bancaire d'autre part ;</p> <p>(5) <i>Risque de liquidité</i> – Le risque de liquidité est le risque que BNPP ne puisse pas honorer ses engagements ou dénouer ou compenser une position en raison de la situation du marché ou de facteurs idiosyncratiques (i.e. spécifiques à BNP Paribas), dans un délai déterminé et à un coût raisonnable.</p> <p>Le risque de liquidité traduit le risque de ne pas pouvoir faire face à des flux nets sortants de trésorerie y compris liés à des besoins en collatéral, sur l'ensemble des horizons du court terme au long terme.</p> <p>Ce risque peut provenir de la diminution de sources de financement, de tirages sur des engagements de financement, de la réduction de</p>

Elément	Description de l'Elément	
		<p>liquidité de certains actifs, de l'augmentation des appels de marge en cash ou en collatéral. Il peut être lié à l'établissement lui-même (risque de réputation) ou à des facteurs extérieurs (risques sur certains marchés).</p> <p>Le risque de liquidité du Groupe BNPP est suivi dans le cadre d'une politique de liquidité globale validée par le Comité ALM du Groupe BNPP. Celle-ci repose sur des principes de gestion définis pour s'appliquer en situation courante et en situation de crise. La situation de liquidité du Groupe BNPP est évaluée à partir d'indicateurs internes et de ratios réglementaires.</p> <p>(6) <i>Risque opérationnel</i> – Le risque opérationnel est le risque de perte résultant de processus internes défaillants ou inadéquats ou d'événements externes, qu'ils soient de nature délibérée, accidentelle ou naturelle. Sa gestion repose sur l'analyse de l'enchaînement cause – événement – effet.</p> <p>Les processus internes sont notamment ceux impliquant le personnel et les systèmes informatiques. Les inondations, les incendies, les tremblements de terre, les attaques terroristes sont des exemples d'événements externes. Les événements de crédit ou de marché comme les défauts ou les changements de valeur n'entrent pas dans le champ d'analyse du risque opérationnel.</p> <p>Le risque opérationnel recouvre la fraude, les risques en lien avec les ressources humaines, les risques juridiques, les risques de non-conformité, les risques fiscaux, les risques liés aux systèmes d'information, la fourniture de services financiers inappropriés (<i>conduct risk</i>), les risques de défaillance des processus opérationnels y compris les processus de crédit, ou l'utilisation d'un modèle (risque de modèle), ainsi que les conséquences pécuniaires éventuelles liées à la gestion du risque de réputation ;</p> <p>(7) <i>Risque de non-conformité et de réputation</i> – Le risque de non-conformité est défini dans la réglementation française comme le risque de sanction judiciaire, administrative ou disciplinaire, de perte financière significative ou d'atteinte à la réputation, qui naît du non-respect de dispositions propres aux activités bancaires et financières, qu'elles soient de nature législative ou réglementaire, nationales ou européennes directement applicables ou qu'il s'agisse de normes professionnelles et déontologiques, ou d'instructions de l'organe exécutif prises, notamment, en application des orientations de l'organe de surveillance.</p> <p>Par définition, ce risque est un sous-ensemble du risque opérationnel. Cependant, certains impacts liés au risque de non-conformité peuvent représenter davantage qu'une pure perte de valeur économique et</p>

Elément	Description de l'Elément	
		<p>peuvent nuire à la réputation de l'établissement. C'est pour cette raison que BNPP traite le risque de non-conformité en tant que tel.</p> <p>Le risque de réputation est le risque d'atteinte à la confiance que portent à l'entreprise ses clients, ses contreparties, ses fournisseurs, ses collaborateurs, ses actionnaires, ses superviseurs ou tout autre tiers dont la confiance, à quelque titre que ce soit, est une condition nécessaire à la poursuite normale de l'activité.</p> <p>Le risque de réputation est essentiellement un risque contingent à tous les autres risques encourus par BNPP ;</p> <p>(8) <i>Risque de de souscription d'assurance</i> – BNP Paribas Cardif est exposé aux risques suivants :</p> <p>le risque de marché, risque de pertes de valeur liées aux mouvements défavorables des marchés financiers. Ces mouvements défavorables se reflètent notamment par des variations de prix (taux de change, obligations, actions et commodités, produits dérivés, immobilier, etc.) et résultent de fluctuations des taux d'intérêt, des spreads, des volatilités ou des corrélations ;</p> <p>le risque de crédit, risque de pertes liées à la qualité de crédit des émetteurs de titres, des contreparties ou de tout autre débiteur auquel la société est exposée. Parmi les débiteurs, les risques associés aux instruments financiers (y compris les banques dans lesquelles la société détient des dépôts) et les risques associés à des créances liées à l'activité d'assurance (collecte des primes, soldes de réassurance, etc.) sont distingués en deux catégories : le risque de crédit d'actifs et le risque de crédit de passifs ;</p> <p>le risque de souscription, risque de pertes de valeur liées aux fluctuations soudaines et imprévues des prestations. Selon le type d'activité (vie, non vie), il résulte d'évolutions statistiques, macroéconomiques ou comportementales ainsi que de la survenance de phénomènes liés à la santé publique ou à des catastrophes ;</p> <p>le risque opérationnel est le risque de pertes résultant de l'inadéquation ou la défaillance des processus internes, des défaillances informatiques ou d'événements extérieurs, accidentels ou naturels. Ces événements extérieurs comprennent les événements d'origine humaine et ceux d'origine naturelle.</p> <p>(a) Des conditions macroéconomiques et de marché difficiles ont eu et pourraient continuer à avoir un effet défavorable significatif sur les conditions dans lesquelles évoluent les établissements financiers et en conséquence sur la situation financière, les résultats opérationnels et le coût du risque de BNPP.</p>

Elément	Description de l'Elément	
		<p>(b) Le référendum au Royaume-Uni sur la sortie de l'Union européenne pourrait générer des incertitudes significatives, de la volatilité et des changements importants sur les marchés économiques et financiers européens et mondiaux et avoir alors un effet défavorable sur l'environnement dans lequel la BNPP évolue.</p> <p>(c) Du fait du périmètre géographique de ses activités, BNPP pourrait être vulnérable aux contextes ou circonstances politiques, macroéconomiques ou financiers d'une région ou d'un pays.</p> <p>(d) L'accès de BNPP au financement et les coûts de ce financement pourraient être affectés de manière défavorable en cas de résurgence des crises financières, de détérioration des conditions économiques, de dégradation de notation, d'accroissement des <i>spreads</i> de crédit des États ou d'autres facteurs.</p> <p>(e) Toute variation significative des taux d'intérêt est susceptible de peser sur les revenus ou sur la rentabilité de BNPP.</p> <p>(f) Un environnement prolongé de taux d'intérêt bas comporte des risques systémiques inhérents et la sortie d'un tel environnement comporte également des risques.</p> <p>(g) La solidité financière et le comportement des autres institutions financières et acteurs du marché pourraient avoir un effet défavorable sur BNPP.</p> <p>(h) Les fluctuations de marché et la volatilité exposent BNPP au risque de pertes substantielles dans le cadre de ses activités de marché et d'investissement.</p> <p>(i) Les revenus tirés des activités de courtage et des activités générant des commissions sont potentiellement vulnérables à une baisse des marchés.</p> <p>(j) Une baisse prolongée des marchés peut réduire la liquidité et rendre plus difficile la cession d'actifs. Une telle situation peut engendrer des pertes significatives.</p> <p>(k) Des mesures législatives et réglementaires prises ces dernières années, en particulier en réponse à la crise financière mondiale pourraient affecter de manière substantielle BNPP ainsi que l'environnement financier et économique dans lequel elle opère.</p> <p>(l) BNPP est soumise à une réglementation importante et fluctuante dans les juridictions où elle exerce ses activités.</p> <p>(m) En cas de non-conformité avec les lois et règlements applicables,</p>



Elément	Description de l'Elément	
		<p>BNPP pourrait être exposée à des amendes significatives et d'autres sanctions administratives et pénales, et pourrait subir des pertes à la suite d'un contentieux privé, en lien ou non avec ces sanctions.</p> <p>(n) Risques liés à la mise en œuvre des plans stratégiques de BNPP.</p> <p>(o) BNPP pourrait connaître des difficultés relatives à l'intégration des sociétés acquises et pourrait ne pas réaliser les bénéfices attendus de ses acquisitions.</p> <p>(p) Une intensification de la concurrence, par des acteurs bancaires et non bancaires, pourrait peser sur ses revenus et sa rentabilité.</p> <p>(q) Toute augmentation substantielle des provisions ou tout engagement insuffisamment provisionné pourrait peser sur les résultats et sur la situation financière de BNPP.</p> <p>(r) Les politiques, procédures et méthodes de gestion du risque mises en œuvre par BNPP pourraient l'exposer à des risques non identifiés ou imprévus, susceptibles d'occasionner des pertes significatives.</p> <p>(s) Les stratégies de couverture mises en place par BNPP n'écartent pas tout risque de perte.</p> <p>(t) Des ajustements apportés à la valeur comptable des portefeuilles de titres et d'instruments dérivés de BNPP ainsi que de la dette de BNPP pourraient avoir un effet sur son résultat net et sur ses capitaux propres.</p> <p>(u) Les changements attendus des principes comptables relatifs aux instruments financiers pourraient avoir un impact sur le bilan de BNPP ainsi que sur les ratios réglementaires de fonds propres et entraîner des coûts supplémentaires.</p> <p>(v) Tout préjudice porté à la réputation de BNPP pourrait nuire à sa compétitivité.</p> <p>(w) Toute interruption ou défaillance des systèmes informatiques de BNPP, pourrait provoquer des pertes significatives d'informations relatives aux clients, nuire à la réputation de BNPP et provoquer des pertes financières.</p> <p>(x) Des événements externes imprévus pourraient provoquer une interruption des activités de BNPP et entraîner des pertes substantielles ainsi que des coûts supplémentaires.]</p> <p>[Insérer si BNPP B.V. est l'Emetteur :</p>

Elément	Description de l'Elément	
		<p><b><i>Emetteur</i></b></p> <p>Les risques principaux décrits au-dessus relativement à BNPP constituent également les risques principaux pour BNPP B.V., soit en qualité d'entité individuelle ou en tant que société du Groupe BNPP.</p> <p><b><i>Risque de dépendance</i></b></p> <p>BNPP B.V. est une société opérationnelle. Les actifs de BNPP B.V. sont constitués des obligations des entités du Groupe BNPP. La capacité de BNPP B.V. à remplir ses propres obligations dépendra de la capacité des autres entités du Groupe BNPP à remplir les leurs. En ce qui concerne les titres qu'il émet, la capacité que BNPP B.V. a de remplir ses obligations en vertu de ces titres dépend de paiements qui lui sont dus au titre de certains contrats de couverture qu'il conclut avec d'autres entités du Groupe BNPP. En conséquence, les Titulaires de titres émis par BNPP B.V. bénéficieront des stipulations de la Garantie émise par BNPP, seront exposés à la capacité des entités du Groupe BNPP à remplir leurs obligations dans le cadre de ces contrats de couverture.</p> <p><b><i>Risque de marché</i></b></p> <p>BNPP B.V. est exposé aux risques de marché résultant de positions prises sur les taux d'intérêts, les taux de change, les matières premières et les produits sur actions, tous étant exposés aux fluctuations générales et spécifiques liées aux marchés. Cependant, ces risques sont couverts par des contrats d'option et d'échange de conditions d'intérêts et sont par conséquent et en principe réduits.</p> <p><b><i>Risque de crédit</i></b></p> <p>BNPP B.V. est exposé à une concentration de risque de crédit significative étant donné que tous les contrats financiers de gré à gré sont conclus avec sa maison-mère et d'autres entités du Groupe BNPP. Prenant en compte l'objectif et les activités de BNPP B.V. et le fait que sa maison-mère soit sous la supervision de la Banque Centrale Européenne et de l'Autorité de contrôle prudentiel et de résolution, la direction considère ces risques comme acceptables. La dette senior à long terme de BNP Paribas est notée (A) par Standard &amp; Poor's et (A1) par Moody's.</p> <p><b><i>Risque de liquidité</i></b></p> <p>BNPP B.V. a une exposition significative au risque de liquidité. Pour réduire cette exposition, BNPP B.V. a conclu des conventions de compensation avec sa maison-mère et les autres entités du Groupe BNPP.]</p>
<b>D.3</b>	Principaux risques propres aux Titres	En plus des risques (y compris le risque de défaut) qui peuvent affecter la capacité de l'Emetteur de satisfaire à ses obligations en vertu des Titres [ou la capacité du Garant pour exécuter ses obligations en vertu de la Garantie],

Elément	Description de l'Elément	
		<p>certaines facteurs sont considérés comme matériels dans le cadre de risques associés aux Titres émis en vertu du présent Prospectus de Base, notamment :</p> <p><i>[Risques de Marché:</i></p> <p>[Les Titres sont des titres non assortis de sûretés ;]</p> <p>[Les Titres incluant un effet de levier impliquent un niveau de risque plus élevé et, en cas de pertes sur ces Titres, ces pertes peuvent être supérieures à ceux d'un titre similaire qui n'inclut aucun effet de levier ;]</p> <p>[Les Warrants Bull and Bear (Formule de Paiement ETS 2300/1) sont destinés à une négociation à court terme ou intra journalière, car ils sont évalués sur la base de leur performance journalière globale ;]</p> <p>[Le cours de négociation des Titres est affecté par plusieurs facteurs, y compris, mais sans caractère limitatif, (concernant les Titres liés à un Sous-Jacent de Référence) le cours du ou des Sous-Jacent(s) de Référence, la durée restant à courir jusqu'au remboursement et la volatilité, et ces facteurs signifient que le cours de négociation des Titres peut être inférieur au Montant de Règlement en Numéraire ou à la valeur des Droits à Règlement Physique ;]</p> <p>[Dans de nombreux cas, l'exposition au Sous-Jacent de Référence découlera du fait que l'Emetteur concerné conclut des accords de couverture et, en ce qui concerne les Titres indexés sur un Sous-Jacent de Référence, les investisseurs potentiels sont exposés à la performance de ces accords de couverture et aux événements pouvant affecter ces accords, et, par conséquent, la survenance de l'un ou l'autre de ces événements peut affecter la valeur des Titres ;]</p> <p>[La garantie associée à une ou plusieurs souche(s) de Titres Assortis de Sûretés peut être insuffisante à retirer le risque de crédit d'un Titulaire, sur l'Emetteur ;]</p> <p>[Il existe des risques spécifiques liés à des Titres indexés sur un Sous-Jacent de Référence provenant d'un marché émergent ou en développement (y compris, sans caractère limitatif, les risques liés à l'incertitude politique et économique, des politiques gouvernementales défavorables, des restrictions en matière d'investissement étranger et de convertibilité monétaire, des fluctuations des taux de change, le risque lié à des niveaux d'information et de réglementation plus faibles, des incertitudes à propos du statut, de l'interprétation et de l'application des lois, des frais de garde accrus, des difficultés administratives et une plus forte probabilité de survenance d'un cas de perturbation ou d'ajustement). Les Titres négociés sur des marchés émergents ou en voie de développement tendent à être moins liquides et leurs cours plus volatiles ;</p> <p>[Il existe également des risques spécifiques liés aux titres dynamiques, qui sont intrinsèquement plus complexes, ce qui rend leur évaluation difficile en</p>

Elément	Description de l'Elément	
		<p>termes de risque à la date d'achat et après.]]</p> <p><i>[Risques liés aux Titulaires]</i></p> <p>[Les Titres peuvent être soumis à un montant de négociation minimum ; en conséquence, si un Titulaire détient, à la suite du transfert de Titres quelconques, un montant de Titres inférieur au montant de négociation minimum ainsi spécifié, ce Titulaire ne sera pas autorisé à transférer ses Titres restants avant l'expiration, sans acheter préalablement un nombre de Titres additionnels suffisant pour détenir le montant de négociation minimum ;]</p> <p>[Des limitations relatives à l'exercice des Titres peut impliquer qu'un Titulaire pourrait ne pas pouvoir exercer les Titres à une date souhaitée lorsque l'Emetteur a l'option de limiter le nombre de Titres pouvant faire l'objet d'un exercice à une date ou qu'il serait obligé de vendre ou acheter des Warrants (ceci pouvant impliquer des coûts de transaction dans chaque cas) afin de procéder à l'exercice lorsqu'un nombre minimum de Titres doit être exercé ;]</p> <p>[Des changements sur le Montant en Règlement en Numéraire entre le moment où le Titulaire a donné ses instructions quant à l'exercice et la détermination du Montant en Règlement en Numéraire peuvent réduire le Montant en Règlement en Numéraire;]</p> <p>[Les clauses relatives aux assemblées générales des Titulaires permettent à des majorités définies de lier tous les Titulaires;]</p> <p>[Dans certaines circonstances, les investisseurs risquent de perdre tout leur investissement ;]</p> <p><i>[Risques liés à l'Emetteur/au Garant :</i></p> <p>[Si les Conditions Définitives en disposent ainsi, l'Emetteur peut choisir de modifier le règlement des Titres ;]</p> <p>[Une réduction de la notation (éventuelle) accordée aux titres d'emprunt en circulation de l'Emetteur ou du Garant (s'il y a lieu) par une agence de notation de crédit pourrait entraîner une réduction de la valeur de négociation des Titres ;]</p> <p>[Certains conflits d'intérêts peuvent surgir (voir Elément E.4 ci-dessous) ;]</p> <p><i>[Insérer si l'Événement de Perturbation du Règlement FX s'applique aux Titres:</i> Dans certaines circonstances (incluant, sans limitation, en conséquence de restrictions sur la convertibilité et/ou de restrictions de transferts) il peut ne pas être possible pour l'Emetteur d'effectuer les paiements relatifs aux Titres dans la Devise de Règlement telle que précisée dans les Conditions Définitives. Dans ces situations, le paiement du principal et/ ou des intérêts peut intervenir à un moment différent de celui attendu et/ être effectué en Dollars américains et la valeur de marché d'un tel Titre peut être volatile ;])</p>

Elément	Description de l'Elément	
		<p><i>[Risques Juridiques :</i></p> <p>[Le règlement peut être différé à la suite de la survenance ou de l'existence d'un Cas de Perturbation du Règlement et, dans ces cas, l'Emetteur peut payer un Prix de Règlement en Numéraire à la suite d'un Cas de Perturbation (qui peut être inférieur à la juste valeur de marché des Droits à Règlement Physique) au lieu de livrer les Droits à Règlement Physique ;]</p> <p>[La survenance d'un cas de perturbation additionnel ou d'un cas de perturbation additionnel optionnel peut conduire à un ajustement des Titres, ou à une annulation ou peut avoir pour conséquence que le montant payable à la date du règlement prévue soit différent de celui qui devrait être payé à ladite date du règlement prévue, de telle sorte que la survenance d'un cas de perturbation additionnel et/ou d'un cas de perturbation additionnel optionnel peut avoir un effet défavorable sur la valeur ou la liquidité des Titres ;]</p> <p>[Dans certaines circonstances, le règlement peut être reporté ou les paiements effectués en Dollars américains si la Devise de Règlement spécifiée dans les Conditions Définitives applicables n'est pas librement transférable, convertible ou livrable,]</p> <p>[Des frais et impôts peuvent être payables sur les Titres ;]</p> <p>[Les Titres peuvent être annulés en cas d'illégalité ou autre impossibilité pratique, et cette annulation peut avoir pour conséquence qu'un investisseur ne réalise aucun retour sur son investissement dans les Titres ;]</p> <p>[Toute décision judiciaire, tout changement de la pratique administrative ou tout changement de la loi anglaise ou de la loi française, selon le cas, intervenant après la date du Prospectus de Base, pourrait avoir un impact défavorable significatif sur la valeur des Titres ainsi affectés ;]</p> <p>[Au début de la période d'offre [le prix d'émission], [le Gearing] [le Gearing Up] [le Taux AER Exit] [Bonus Coupon] [Up Cap Percentage] [Pourcentage Constant (étant l'un des Pourcentage Constant, Pourcentage Constant [1] [2] [3] [4])] [le Niveau Knock-in] [le Niveau Knock-out] pourront ne pas être connues mais les Conditions Définitives indiqueront une fourchette indicative. Les investisseurs potentiels devront prendre leur décision d'investissement dans les Titres sur la base de cette fourchette avant que [le prix d'émission], [le Gearing] [le Gearing Up] [le Taux AER Exit] [Bonus Coupon] [Up Cap Percentage] [Pourcentage Constant (étant l'un des Pourcentage Constant, Pourcentage Constant [1] [2] [3] [4])] [le Niveau Knock-in] [le Niveau Knock-out] qui s'appliqueront aux Titres leur soient notifiés. La notification des taux, niveaux ou pourcentages définitifs, selon le cas, sera publiée de la même manière que les Conditions Définitives ;]]</p> <p><i>[Risques liés au marché secondaire</i></p> <p>[Le seul moyen permettant à un Titulaire de réaliser la valeur d'un Titre avant</p>

Elément	Description de l'Elément	
		<p>sa Date d'Exercice consiste à le vendre à son cours de marché au moment considéré sur un marché secondaire disponible, et il peut n'y avoir aucun marché secondaire pour les Titres (ce qui pourrait signifier qu'un investisseur doit attendre jusqu'à l'exercice des Titres pour réaliser une valeur supérieure à sa valeur de négociation) ;]</p> <p>[Un marché secondaire actif ne peut jamais être établi ou peut être non liquide, ce qui peut nuire à la valeur à laquelle un investisseur pourrait vendre ses Titres (les investisseurs pourraient subir une perte partielle ou totale du montant de leur investissement) ;]</p> <p>[BNP Paribas Arbitrage S.N.C. est tenue d'agir comme teneur de marché. Dans ces circonstances, BNP Paribas Arbitrage S.N.C. s'efforcera de maintenir un marché secondaire pendant toute la durée de vie des Titres, sous réserve des conditions normales de marché et soumettra au marché des cours acheteur et des cours vendeur. L'écart (<i>spread</i>) entre le cours acheteur et le cours vendeur peut évoluer durant la durée de vie des Titres. Néanmoins, durant certaines périodes il peut être difficile, irréalisable ou impossible pour BNP Paribas Arbitrage S.N.C. de coter des prix "bid" et "offer" et en conséquence il peut être difficile, irréalisable ou impossible d'acheter ou vendre ces Titres durant ces périodes. Cela peut être dû, par exemple, à des conditions défavorables sur le marché, à des prix volatiles ou à des fluctuations importantes du prix, à la fermeture d'une place financière importante ou à des problèmes techniques, tels que la défaillance ou le dysfonctionnement d'un système informatique ou celui d'un réseau internet.]</p> <p><i>[Risques relatifs au(x) Sous-Jacent(s) de Référence]</i></p> <p>En outre, il existe des risques spécifiques liés aux Titres qui sont indexés sur un Sous-Jacent de Référence (y compris des Titres Hybrides), et un investissement dans ces Titres entraînera des risques significatifs que ne comporte pas un investissement dans un titre de créance conventionnel. Les facteurs de risque liés aux Titres indexés sur un Sous-Jacent de Référence incluent :</p> <p><i>[Insérer dans le cas de Titres Indexés sur Indice : l'exposition à un ou plusieurs indices, un cas d'ajustement et de perturbation du marché ou le défaut d'ouverture d'une bourse, qui peuvent avoir un effet défavorable sur la valeur de la liquidité des Titres ]</i></p> <p><i>[Insérer dans le cas de Titres Indexés sur Action : l'exposition à une ou plusieurs actions, des risques de marché similaires à ceux liés à un investissement direct dans un titre de capital, global depositary receipt ("GDR") ou American depositary receipt ("ADR"), des cas d'ajustement potentiels ou des événements exceptionnels affectant les actions, un dérèglement du marché ou le défaut d'ouverture d'une bourse, qui peuvent avoir un effet défavorable sur la valeur et la liquidité des Titres]</i></p> <p><i>[Insérer dans le cas de Titres Indexés sur Matières Premières/Marchandises :</i></p>

Elément	Description de l'Elément	
		<p>l'exposition à une ou plusieurs matières premières/marchandises et/ou à un indice sur matières premières/marchandises, des risques de marchés similaires à ceux d'un investissement direct dans une matière première/marchandise, et des cas de dérèglement du marché et d'ajustement qui peuvent avoir un effet défavorable sur la valeur ou la liquidité des Titres, des retards dans la détermination du niveau final d'un indice sur matières premières/marchandises provoquant des retards de paiement du Montant de Règlement en Numéraire]</p> <p><i>[Insérer dans le cas de Titres Indexés sur ETI : l'exposition à une ou plusieurs parts dans un fonds indiciel coté en bourse, un titre coté en bourse, une matière première/marchandise cotée en bourse ou tout autre produit coté en bourse (chacun, un "instrument coté en bourse" (« ETI »)), des risques similaires à ceux d'un investissement direct dans un instrument coté en bourse, le fait que le montant payable sur des Titres Indexés sur ETI peut être inférieur et, dans certaines circonstances, significativement inférieur au rendement d'un investissement direct dans le ou les ETI concerné(s), des cas d'ajustement potentiel ou des événements exceptionnels affectant les instruments cotés en bourse, un cas de dérèglement du marché ou le défaut d'ouverture d'une bourse peuvent avoir un effet défavorable sur la valeur et la liquidité des Titres ]</i></p> <p><i>[Insérer dans le cas de Titres Indexés sur l'Inflation : l'exposition à un indice d'inflation et des ajustements]</i></p> <p><i>[Insérer dans le cas de Titres Indexés sur Devise : l'exposition à une devise, des risques de marché similaires à ceux d'un investissement direct dans une devise et un cas de dérèglement du marché]</i></p> <p><i>[Insérer dans le cas de Titres Indexés sur Fonds : l'exposition à une action, une part de fonds ou un indice de fonds, des risques similaires à ceux d'un investissement direct dans un fonds, le fait que le montant payable sur des Titres Indexés sur Fonds peut être inférieur au montant payable en cas d'investissement direct dans le ou les Fonds ou Indices de Fonds concerné(s), des événements exceptionnels concernant le fonds qui peuvent avoir un effet défavorable sur la valeur ou la liquidité des Titres]</i></p> <p><i>[Insérer dans le cas de Titres Indexés sur Contrats à Terme : l'exposition à un contrat à terme, des risques de marché similaires à ceux d'un investissement direct dans un contrat à terme, un cas de dérèglement du marché ou le défaut d'ouverture d'une bourse, qui peuvent avoir un effet défavorable sur la valeur et la liquidité des Titres]</i></p> <p><i>[Insérer dans le cas de Titres Indexés sur un Événement de Crédit : L'exposition au risque de crédit d'une ou plusieurs entités de référence]</i></p> <p><i>[Insérer dans le cas de Titres à Taux d'Intérêt Indexé sur Sous-Jacent : l'exposition à un intérêt sous-jacent ou taux CMS]</i></p>

Elément	Description de l'Elément	
		<p><i>[Insérer dans le cas de Titres Indexés sur Titres de Créance : l'exposition à un titre de créance, des risques de marché similaires à ceux d'un investissement direct en titre de créance, et un cas de dérèglement du marché]</i></p> <p><i>[Insérer dans le cas de Titres de Créance, de Titres Indexés ou de Titres Indexés sur Devises lorsque Valorisation du Prix sur Instruments à Terme (Futures Price Valorisation) est applicable : L'exposition aux contrats à terme ou contrats d'options liés à [Insérer dans le cas de Titres de Créance : des instruments de dettes synthétiques][Insérer dans le cas de de Titres Indexés : un indice][Insérer dans le cas de Titres Indexés sur Devises : un taux de change], des risques de marché similaires à un investissement direct dans de tels contrats à terme ou contrats d'options et des cas de dérèglement de marché] [et le fait que l'Emetteur ne fournira pas d'informations post-émission sur le Sous-Jacent de Référence]]</i></p> <p><i>[Risques liés à des catégories spécifiques de produits]</i></p> <p>[Les risques suivants sont liés aux Produits ETS :</p> <p style="padding-left: 40px;">[Produits à Rendement Optimisé]</p> <p style="padding-left: 40px;">Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement de ces Titres dépend de la performance du ou des Sous-Jacent(s) de Référence, [plus particulièrement en fonction [du niveau d'un plafond], [d'une barrière désactivante] [et] [d'expirations anticipées automatiques].]</p> <p style="padding-left: 40px;">[Produits de Participation]</p> <p style="padding-left: 40px;">Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement de ces Titres dépend de la performance du ou des Sous-Jacent(s) de Référence, [plus particulièrement en fonction du niveau [d'une barrière activante][,][et] [d'une barrière désactivante] [et] [d'expirations anticipées automatiques].]</p> <p style="padding-left: 40px;">[Produits à effet de levier]</p> <p style="padding-left: 40px;">Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement de ces Titres dépend de la performance du ou des Sous-Jacent(s) de Référence, plus particulièrement en fonction du niveau [d'une barrière activante], [d'une barrière désactivante] [et] [d'expirations anticipées automatiques]. De plus le rendement peut dépendre d'autres facteurs de marché comme les taux d'intérêt, les volatilités implicites des Sous-Jacents de Référence et le temps restant avant <i>[Insérer dans le cas de Warrant de style européen : l'exercice] [Insérer dans le cas de Warrant de style américain : l'expiration]</i>. L'effet de levier sur les Titres peut être positif ou négatif.]</p>



Elément	Description de l'Elément	
		<p>[Produits à effet de levier Constant</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement de ces Titres dépend de la performance quotidienne du ou des Sous-Jacent(s) de Référence, et d'exercices anticipés automatiques. Les produits à effet de levier Constant sont généralement adaptés à des investissements à court terme intra journaliers ou de quelques jours ; des investissements de ce type détenus pour une période plus longue peuvent être affectés par la volatilité des conditions de marché qui peuvent avoir un impact négatif sur la performance des Sous-Jacents de Référence.]]</p> <p>[Les risques suivants sont liés aux Produits SPS :</p> <p>[Produits à pourcentage fixe</p> <p>Les investisseurs reçoivent un retour fixe sur ces Titres. [Ce produit peut être utilisé en conjonction avec [une] [d'autres] formule[s] de paiement afin d'assurer aux investisseurs une garantie partielle ou total du capital investi].]</p> <p>[Produits Reverse Convertibles</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement de ces Titres dépend de la performance du ou des Sous-Jacent(s) de Référence, et si une barrière activante survient.]</p> <p>[Produits Vanilla</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement de ces Titres dépend de la performance du ou des Sous-Jacent(s) de Référence [et de la réalisation ou non du mécanisme de barrière [activante] [désactivante]].]</p> <p>[Produits Asian</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement indexé sur ces Titres dépend de la performance du ou des Sous-Jacent(s) de Référence qui est déterminé par application d'une méthode utilisant les moyennes. [Le rendement dépendra également de l'application ou non de certains mécanismes de [plafond] [<i>lock-in</i>]].]</p> <p>[Produits Auto-callable</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement indexé sur ces Titres dépend de</p>

Elément	Description de l'Elément	
		<p>la performance du ou des Sous-Jacent(s) de Référence [et de l'application ou non des mécanismes de barrière [activante] [désactivante]]. Les Produits Auto-callable comprennent des mécanismes d'exercice anticipé automatique. [Si un évènement d'expiration anticipé automatique se réalise, les investisseurs peuvent être exposés à une perte partielle de leur investissement.]]</p> <p>[Produits indexés</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement indexé sur ces Titres dépend de la performance du ou des Sous-Jacent(s) de Référence [et de l'application de ces mécanismes de barrière [activante] [désactivante] [et] [de l'expiration anticipé automatique]]. [Si un évènement d'expiration anticipé automatique se réalise, les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement.]]</p> <p>[Produits Ratchet</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement indexé sur ces Titres dépend de la performance du ou des Sous-Jacent(s) de Référence et, est calculé sur la base de la somme des rendements déterminée par l'application d'une formule spécifique [(qui peut être limité par [un plafond] [et] [un plancher])].]</p> <p>[Produits Sum</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement indexé sur ces Titres dépend de la performance du ou des Sous-Jacent(s) de Référence et, est calculé sur la base de la somme pondérée des rendements déterminée par l'application de différentes formules de paiement.]</p> <p>[Produits Options Max</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement indexé sur ces Titres dépend de la performance du ou des Sous-Jacent(s) de Référence et, est calculé sur la base du rendement maximum déterminé par l'application de différentes formules de paiement final.]</p> <p>[Produits Stellar</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement indexé aux Titres dépend de la performance d'un panier de Sous-Jacents de Référence et, est calculé sur la base d'une moyenne des rendements de chaque Sous-Jacent de Référence dans le panier [(qui peut être limitée par [un plafond] [et]</p>

Elément	Description de l'Elément	
		<p>[un plancher]]].]</p> <p>[Produits Driver</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement indexé sur ces Titres dépend de la performance d'un panier de Sous-Jacents de Référence. Le rendement est déterminé par référence au rendement moyen du panier, où la performance du ou des Sous-Jacents de Référence ayant la meilleure performance est fixée à un niveau déterminé.]]</p> <p>[Les risques suivants sont liés aux Produits FI :</p> <p>[Produits Vanilla</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement indexé sur ces Titres dépend de la performance du ou des Sous-Jacents de Référence et de l'application ou non des mécanismes de [barrière activante] [désactivante].]</p> <p>[Produits Digital</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement des Titres est [fixe][variable] et dépend de la performance du ou des Sous-Jacents de Référence [et de l'application des mécanismes [de plancher] [et] [de plafond] [et] [de barrière activante] [et] [de barrière désactivante] ).]</p> <p>[Produits Inflation</p> <p>Les Produits Inflation ont un capital protégé. Le rendement indexé sur ces Titres dépend de la performance du ou des Sous-Jacents de Référence.]]</p> <p><i>[Résumer tous risques supplémentaires visés dans la section Facteurs de Risque du Prospectus de Base entraînés par une émission spécifique de Titres.]]</i></p>
<b>D.6</b>	Avertissement sur les Risques	<p>[Voir Elément D.3 ci-dessus.]</p> <p>En cas d'insolvabilité de l'Emetteur ou si ce dernier est autrement incapable de rembourser les Titres ou n'est pas disposé à les rembourser à leur échéance, un investisseur peut perdre tout ou partie de son investissement dans les Titres.</p> <p><i>[Dans le cas de Titres garantis, insérer :</i></p> <p>Si le Garant est dans l'incapacité de remplir ses engagements en vertu de la Garantie à leur échéance, ou n'est pas disposé à les remplir, un investisseur peut perdre tout ou partie de son investissement dans les Titres.]</p>

Elément	Description de l'Elément	
		<p><i>[Dans le cas de Titres qui ne sont pas à capital protégé, insérer :</i></p> <p>En outre, les investisseurs peuvent perdre tout ou partie de leur investissement dans les Titres en conséquence de l'application des modalités des Titres.]</p>

### Section E - Offre

Elément	Description de l'Elément	
<b>E.2b</b>	Raisons de l'offre et utilisation du produit de celle-ci	<p>Les produits nets de l'émission des Titres seront affectés aux besoins généraux de financement de l'Emetteur. Ces produits pourront être utilisés pour maintenir des positions sur des contrats d'options ou des contrats à terme ou d'autres instruments de couverture]</p> <p><i>[indiquer une autre raison].</i></p>
<b>E.3</b>	Modalités et conditions de l'offre	<p>[Cette émission de Titres est offerte dans le cadre d'une Offre Non-exemptée en <i>[préciser le ou les pays particuliers]</i> [Non applicable – les Titres n'ont pas été offerts au public sous forme d'un Offre Non-exemptée.]</p> <p>Le prix d'émission des Titres est fixé à [●]% de leur montant nominal [qui sera payable en <i>[préciser la Devise de Règlement]</i> calculé par référence au <i>[préciser le taux de change (y compris tout taux de change en vertu duquel le taux de change concerné est dérivé), y compris les sources (le cas échéant) sur lesquelles ce taux de change est déterminé et la durée/date de détermination de ces taux de change.]</i></p>
<b>E.4</b>	Intérêt de personnes physiques et morales pouvant influencer sur l'émission/l'offre	<p>[Les Agents Placeurs percevront des commissions cumulées égales à [●] % du prix d'émission des Titres.] [Tout Agent Placeur et ses affiliés peuvent aussi avoir été impliqué, et pourrait dans le futur être impliqué, dans des transactions de banque d'investissement ou commerciale avec, ou lui fournir d'autres services à, l'Emetteur [et son Garant] et [ses/leurs] affiliés dans le cours normal de leurs activités.]</p> <p>[Exception faite de ce qui est mentionné ci-dessus, [et exception faite de <i>[spécifier tout autre intérêt important]</i>,] aucune personne intervenant dans l'émission des Titres ne détient, à la connaissance de l'Emetteur, un intérêt pouvant influencer sensiblement sur l'offre, y compris des intérêts conflictuels.]</p>
<b>E.7</b>	Dépenses facturées à l'investisseur par l'Emetteur	Il n'existe pas de dépenses facturées à l'investisseur par l'Emetteur.

## **RISK FACTORS**

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

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

### **Risks Relating to BNPP and its Industry**

See Chapter 5 ("**Risks and Capital Adequacy**", except pages 253 to 274) of the BNPP 2016 Registration Document (in English) and pages 68 to 73 of the First Update to the BNPP 2016 Registration Document (in English) (each as defined below), each of which is incorporated by reference in this document.

### **Risks Related To The Macroeconomic And Market Environment**

*Difficult market and economic conditions have had and may continue to have a material adverse effect on the operating environment for financial institutions and hence on BNPP's financial condition, results of operations and cost of risk.*

BNPP's businesses are highly sensitive to changes in financial markets and economic conditions globally and especially in Europe. In recent years, BNPP has been, and may again in the future be, confronted with a significant deterioration of market and economic conditions resulting, among other things, from crises affecting sovereign debt, capital markets, the availability of credit or liquidity, regional or global recessions, sharp fluctuations in commodity prices, currency exchange rates or interest rates, volatility in prices of financial derivatives, inflation or deflation, counterparty restructurings or defaults, corporate or sovereign debt rating downgrades or adverse political and geopolitical events (such as natural disasters, pandemics, societal unrest, geopolitical tensions, acts of terrorism and military conflicts). Such disruptions, which may develop quickly and hence not be fully hedged, could affect the operating environment for financial institutions for short or extended periods and have a material adverse effect on BNPP's financial condition, results of operations or cost of risk. In 2017, the macroeconomic environment could be subject to various specific risks, including geopolitical tensions, political transitions and elections in certain countries creating uncertainties and potentially sharp changes, financial market volatility, slowdowns in certain emerging markets, weak growth in the euro zone, fluctuations in commodity prices and changes in monetary policies.

Moreover, a resurgence of a sovereign debt crisis cannot be ruled out, particularly in a rising interest rate environment with increasing funding costs. In particular, European markets experienced significant disruptions in recent years as a result of concerns regarding the ability of certain countries or institutions in the euro zone to refinance their debt obligations. These disruptions have in certain periods caused tightened credit markets, increased volatility in the exchange rate of the euro against other major currencies, affected the levels of stock market indices and created uncertainty regarding the economic prospects of certain countries in the European Union as well as the quality of bank loans to sovereign debtors in the European Union. BNPP holds and in the future may hold substantial portfolios of sovereign debt and has and may in the future have substantial amounts of loans outstanding to sovereign borrowers; a new sovereign debt crisis could cause it to incur impairment charges or losses on sales. BNPP also participates in the interbank financial market and as a result, is indirectly exposed to risks relating to financial institutions with which it does business. More generally, the sovereign debt crisis had, and could again in the future have, an indirect impact on financial markets and, increasingly, economies, in Europe and worldwide, and more generally on the environment in which BNPP operates.

If economic conditions generally or in Europe in particular were to deteriorate due among other things to concerns over the European economy (in turn triggered by the heightened risk of or even the occurrence of a sovereign default, the

failure of a significant financial institution or the exit of a country from the euro zone or the European Union), unforeseeable variations in oil and commodity prices and interest rates, rising inflation or significant fluctuations in foreign exchange rates (in particular rising interest rates or any strengthening of the euro), a continued or increased slowdown of economic growth in emerging countries and China in particular, terrorist attacks or political instability, the resulting market disruptions could have a significant adverse impact on the credit quality of BNPP's customers and financial institution counterparties, on market parameters such as interest rates, foreign exchange rates and stock market indices, and on BNPP's results of operations, liquidity, ability to raise financing on acceptable terms and financial condition.

*The United Kingdom's referendum to leave the European Union may lead to significant uncertainty, volatility and disruption in European and broader financial and economic markets and hence may adversely affect BNPP's operating environment.*

On 23 June 2016, the United Kingdom held a referendum in which a majority of its voters opted to leave the European Union ("**Brexit**") and on 29 March 2017, the UK Government invoked Article 50 of the Treaty on the European Union to notify the European Council of its intention to withdraw from the Union. Under Article 50, the Treaty on the European Union and the Treaty on the Functioning of the European Union cease to apply in the relevant state from the date of entry into force of a withdrawal agreement, or, failing that, two years after the notification of intention to withdraw, although this period may be extended in certain circumstances. The United Kingdom will begin negotiations to determine its relationship with the European Union going forward, including regarding trade, financial and legal arrangements. The nature, timing and economic and political effects of Brexit remain highly uncertain and will depend upon the results of future negotiations between the United Kingdom and the European Union, and hence may adversely affect BNPP's operating environment and therefore its results and financial condition.

*Due to the geographic scope of its activities, BNPP may be vulnerable to country or regional-specific political, macroeconomic and financial environments or circumstances.*

BNPP is exposed to country risk, meaning the risk that economic, financial, political or social conditions of a foreign country, especially a country in which it operates, will affect its financial interests. Recent examples of such country risk include security concerns and political changes in Turkey following the attempted coup in July 2016, and political uncertainty in Italy following the rejection in December 2016 of the referendum on constitutional reform and the resulting change in government. Upcoming elections in France, Germany and The Netherlands in 2017 may also contribute to an environment of political uncertainty. BNPP monitors country risk and takes it into account in the fair value adjustments and cost of risk recorded in its financial statements. However, a significant change in political or macroeconomic environments may require it to record additional charges or to incur losses beyond the amounts previously written down in its financial statements. Moreover, factors specific to a particular country or region in which BNPP operates could create difficult operating conditions, leading to operating losses or asset impairments.

*BNPP's access to and cost of funding could be adversely affected by a resurgence of financial crises, worsening economic conditions, rating downgrades, increases in credit spreads or other factors.*

The financial crisis, the euro zone sovereign debt crisis as well as the general macroeconomic environment have at times adversely affected the availability and cost of funding for European banks in recent years. This was due to several factors, including a sharp increase in the perception of bank credit risk due to their exposure to sovereign debt in particular, credit rating downgrades of sovereigns and of banks, and debt market speculation. Many European banks, including BNPP, at various points experienced restricted access to wholesale debt markets and to the interbank market, as well as a general increase in their cost of funding. Accordingly, reliance on direct borrowing from the ECB at times increased substantially. If such adverse credit market conditions were to reappear in the event of prolonged stagnation of growth, deflation, resurgence of the financial crisis, the sovereign debt crisis or new forms of financial crises, factors relating to the financial industry in general or to BNPP in particular, the effect on the liquidity of the European financial

sector in general and BNPP in particular could be materially adverse and have a negative impact on BNPP's results of operations and financial condition.

Downgrades in the credit ratings of France or of BNPP may increase BNPP's borrowing cost.

BNPP's cost of obtaining long-term unsecured funding from market investors is also directly related to its credit spreads, which in turn depend to a certain extent on its credit ratings. Increases in credit spreads can significantly increase BNPP's cost of funding. Changes in credit spreads are continuous, market-driven, and subject at times to unpredictable and highly volatile movements. Credit spreads are also influenced by market perceptions of creditworthiness of BNPP.

*Significant interest rate changes could adversely affect BNPP's revenues or profitability.*

The amount of net interest income earned by BNPP during any given period significantly affects its overall revenues and profitability for that period. Interest rates are affected by many factors beyond BNPP's control, such as the level of inflation and the monetary policies of states, and government decisions relating to regulated savings rates. Changes in market interest rates could affect the interest rates charged on interest-earning assets differently than the interest rates paid on interest-bearing liabilities. Any adverse change in the yield curve could cause a decline in BNPP's net interest income from its lending activities. In addition, maturity mismatches and interest rates rises relating to BNPP's short-term financing may adversely affect BNPP's profitability.

*The prolonged low interest rate environment carries inherent systemic risks, and an exit from such environment also carries risks.*

Since the 2008-2009 financial crisis, global markets have been characterized by periods of prolonged low interest rates. During such periods, interest rate spreads tend to tighten, and BNPP may be unable to lower interest rates on deposits sufficiently to offset reduced income from lending at lower interest rates. In addition, BNPP is facing an increase in early repayment and refinancing of mortgages and other fixed-rate consumer and corporate loans as clients take advantage of lower borrowing costs. This, along with the issuance of new loans at the low prevailing market interest rates, could result in an overall decrease in the average interest rate of BNPP's portfolio of loans thereby causing a decline in BNPP's net interest income from its lending activities. Moreover, an environment of persistently low interest rates can also have the effect of flattening the yield curve in the market more generally, which could reduce the premium generated by BNPP from its funding activities. Additionally, the prolonged period of low interest rates may have contributed to, and may continue to contribute to, excessive risk-taking by financial market participants such as lengthening maturities of financings and assets held, more lenient lending standards and increased leveraged lending. Certain of the market participants that may have taken or may take additional or excessive risk are of systemic importance, and any unwinding of their positions during periods of market turbulence or stress (and hence reduced liquidity) could have a destabilizing effect on markets and could lead BNPP to record operating losses or asset impairments.

Furthermore, to the extent that central banks, particularly in the United States and the United Kingdom, are expected to increase interest rates in 2017, any sharper than expected change could cause stress in loan portfolios and BNPP's underwriting activity, particularly in relation to non-investment grade lending, possibly leading to an increase in BNPP's cost of risk. In a rising interest rate environment, should BNPP's hedging strategies prove ineffective or provide only a partial hedge, BNPP could incur losses due to higher refinancing costs. More generally, increasing interest rates weigh on consumer debt affordability and corporate profitability and hence potentially on economic growth and our revenues.

*The soundness and conduct of other financial institutions and market participants could adversely affect BNPP.*

BNPP's ability to engage in financing, investment and derivative transactions could be adversely affected by the soundness of other financial institutions or market participants. Financial institutions are interrelated as a result of

trading, clearing, counterparty, funding or other relationships. As a result, defaults, or even rumours or questions about, one or more financial services institutions, or the financial services industry generally, may lead to market-wide liquidity problems and could lead to further losses or defaults. BNPP has exposure to many counterparties in the financial industry, directly and indirectly, including clearing houses, brokers and dealers, commercial banks, investment banks, mutual and alternative investment funds, and other institutional clients with which it regularly executes transactions. BNPP can also be exposed to the risks related to the increasing involvement in the financial sector of players subject to little or no regulations (unregulated funds, trading venues or crowdfunding platforms). BNPP is exposed to credit and counterparty risk in the event of default or financial distress of BNPP's counterparties or clients. This risk could be exacerbated if the collateral held by BNPP cannot be realised upon or is liquidated at prices not sufficient to recover the full amount of the loan or derivative exposure due to BNPP or in case of a failure of a significant financial market participant such as a central counterparty. It is worth noting in this respect that regulatory changes requiring mandatory clearing of standardized over-the-counter ("**OTC**") derivatives through central counterparties have resulted in an increase of the exposure of financial market participants to such central counterparties.

In addition, fraud or misconduct by financial market participants can have a material adverse effect on financial institutions due in particular to the interrelated nature of the financial markets. An example is the fraud perpetrated by Bernard Madoff that came to light in 2008, as a result of which numerous financial institutions globally, including BNPP, announced losses or exposure to losses in substantial amounts. Potentially significant additional potential exposure is also possible in the form of litigation and claims in the context of the bankruptcy proceedings of Bernard L. Madoff Investment Services ("**BLMIS**") (a number of which are pending against BNPP), and other potential claims relating to counterparty or client investments made, directly or indirectly, in BLMIS or other entities controlled by Bernard Madoff, or to the receipt of investment proceeds from BLMIS.

There can be no assurance that any losses resulting from the risks summarised above will not materially and adversely affect BNPP's results of operations.

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

BNPP maintains trading and investment positions in the debt, currency, commodity and equity markets, and in unlisted securities, real estate and other asset classes, including through derivative contracts. These positions could be adversely affected by extreme volatility in these markets, i.e., the degree to which prices fluctuate over a particular period in a particular market, regardless of market levels. Moreover, volatility trends that prove substantially different from BNPP's expectations may lead to losses relating to a broad range of other products that BNPP uses, including swaps, forward and future contracts, options and structured products.

To the extent that BNPP owns assets, or has net long positions, in any of those markets, a market downturn could result in losses from a decline in the value of its positions. Conversely, to the extent that BNPP has sold assets that it does not own, or has net short positions in any of those markets, a market upturn could, in spite of the existing limitation of risks and control systems, expose it to potentially substantial losses as it attempts to cover its net short positions by acquiring assets in a rising market. BNPP may from time to time hold a long position in one asset and a short position in another, in order to hedge transactions with clients and/or from which it expects to gain based on changes in the relative value of the two assets. If, however, the relative value of the two assets changes in a direction or manner that BNPP did not anticipate or against which it is not hedged, BNPP might realise a loss on those paired positions. Such losses, if significant, could adversely affect BNPP's results and financial condition.

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

Financial and economic conditions affect the number and size of transactions for which BNPP provides securities underwriting, financial advisory and other investment banking services. BNPP's revenues, which include fees from these services, are directly related to the number and size of the transactions in which it participates and can thus be



significantly affected by economic or financial changes that are unfavourable to its Investment Banking business and clients. In addition, because the fees that BNPP charges for managing its clients' portfolios are in many cases based on the value or performance of those portfolios, a market downturn that reduces the value of its clients' portfolios or increases the amount of withdrawals would reduce the revenues BNPP receives from its asset management, equity derivatives and private banking businesses. Independently of market changes, below-market performance by BNPP's mutual funds may result in increased withdrawals and reduced inflows, which would reduce the revenues BNPP receives from its asset management business. BNPP experienced some or all of these effects during the sharp market downturns of recent years and could experience them again in future market downturns, which may occur periodically and unexpectedly.

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

In some of BNPP's businesses, protracted 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 BNPP cannot close out deteriorating positions in a timely way. This is particularly true for assets that are intrinsically illiquid. Assets that are not traded on stock exchanges or other public trading markets, such as certain derivative contracts between financial institutions, may have values that BNPP calculates using models rather than publicly-quoted prices. Monitoring the deterioration of prices of assets like these is difficult and could lead to significant losses that BNPP did not anticipate.

## **Regulatory Risks**

*Laws and regulations adopted in recent years, particularly in response to the global financial crisis, may materially impact BNPP and the financial and economic environment in which it operates.*

Laws and regulations have been enacted in the past few years or could be adopted, in particular in France, Europe and the United States, with a view to introducing a number of changes, some permanent, in the financial environment. The impact of the new measures has changed substantially the environment in which BNPP and other financial institutions operate. The new measures that have been or may be proposed and adopted include more stringent capital and liquidity requirements (particularly for large global banking groups such as BNPP), taxes on financial transactions, restrictions and increased taxes on employee compensation over specified levels, restrictions on certain types of activities considered as speculative undertaken by commercial banks that will be prohibited or need to be ring-fenced in subsidiaries (particularly proprietary trading), restrictions or prohibitions on certain types of financial products or activities, enhanced recovery and resolution regimes, changes to risk-weighting methodologies and the methods of using internal models that could lead to increased capital requirements, increased internal control and reporting requirements with respect to certain activities, more stringent governance and conduct of business rules, more extensive market abuse regulations, measures to improve the transparency and efficiency of financial markets and in particular to regulate high frequency trading, increased regulation of certain types of financial products including mandatory reporting of derivative and securities financing transactions, requirements either to mandatorily clear, or otherwise mitigate risks in relation to, over-the-counter derivative transactions (including through posting of collateral in respect of non-centrally cleared derivatives), and the creation of new and strengthened supervisory bodies. Most of these measures have been adopted and are already applicable to BNPP; the principal such measures are summarized below. Other similar or new measures may be proposed and adopted.

### *French and European Laws and regulations*

In 2013 and 2014, France made significant changes to its legal and regulatory framework applicable to banking institutions. The French banking law of 26 July 2013 on the separation and regulation of banking activities (*Loi de séparation et de régulation des activités bancaires*) and the related implementing decrees and orders specified the required separation between financing operations activities and so-called "speculative" operations that have been, since 1 July 2015, conducted by ring-fenced subsidiaries subject to specific capital and liquidity requirements on a stand-alone basis. This banking law also introduced a mechanism for preventing and resolving banking crises, which is

supervised by the French banking regulator ("*Autorité de Contrôle Prudentiel et de Résolution*", "**ACPR**") with expanded powers. In the event of a failure, the law provides for mechanisms such as the power to require banks to adopt structural changes, issue new securities, cancel outstanding equity or subordinated debt securities and convert subordinated debt into equity, and to require the intervention of the French Deposit Guarantee and Resolution Fund ("*Fonds de Garantie des Dépôts et de Résolution*"). The Ordinance of 20 February 2014 provided in particular for the strengthening of the governance rules within banking institutions, a reinforced and harmonised at the EU level sanctions regime, an extended scope of prudential surveillance with in particular additional prudential requirements, a harmonisation of the rules relating to the approval of credit institutions within the European Union, and an update of the rules relating to the consolidated surveillance and the exchange of information.

At the European level, many of the provisions of the EU Directive and Regulation on prudential requirements "CRD 4/CRR" dated 26 June 2013, implementing the Basel III capital requirements, took effect as of 1 January 2014 and many delegated and implementing acts provided for in the Directive and Regulation CRD 4/CRR were adopted in 2014. The prudential ratio requirements and the designation of BNPP as a systemically important financial institution increased BNPP's prudential requirements and may limit its ability to extend credit or to hold certain assets, particularly those with longer maturities. In 2011-2012, BNPP implemented an adaptation plan in anticipation of these requirements, including reducing its balance sheet and bolstering its capital. In addition, the Financial Stability Board published on 9 November 2015 the final principles and term sheet regarding total loss absorbing capacity ("**TLAC**"), which will require "G-SIBs" or "Global Systemically Important Banks" (including BNPP) to maintain a significant amount of liabilities and instruments readily available for bail-in, in addition to the Basel III capital requirements, in order to enable authorities to implement an orderly resolution that minimises impacts on financial stability, maintains the continuity of critical functions, and avoids exposing public funds to loss. Given the timing and manner of their adoption, the full impact of TLAC requirements on BNPP cannot be accurately predicted and could cause its financing costs to increase.

Regarding the European "Banking Union", the European Union adopted, in October 2013, a Single Supervisory Mechanism ("**SSM**") under the supervision of the ECB; as a consequence, since November 2014, BNPP, along with all institutions qualified as important in the euro zone, are now under the direct supervision of the ECB, with respect to prudential regulation matters entrusted to the ECB by Council Regulation dated 15 October 2013. Within the SSM, the ECB is, in particular, tasked with carrying out an annual supervisory review and evaluation process ("**SREP**") and stress tests, in connection with which it has powers to require banks to hold capital in excess of minimum capital requirements in order to address specific risks (so-called "Pillar 2" requirements), and more generally to impose additional liquidity requirements and possibly other regulatory measures. Such measures could have an adverse impact on BNPP's results of operations and financial condition.

In addition to the SSM, the EU Bank Recovery and Resolution Directive of 15 May 2014 ("**BRRD**"), implemented in France by the Ordinance of 20 August 2015 strengthens the tools to prevent and resolve banking crises, in particular, in order to ensure that any losses are borne in priority by banks' creditors and shareholders and to minimize taxpayers' exposure to losses and provides for the implementation of resolution funds at the national levels.

Under the BRRD and the Ordinance of 20 August 2015, the ACPR or the Single Resolution Board (the "**SRB**"), which was established by Regulation 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 a Single Resolution Mechanism ("**SRM**") and a Single Resolution Fund ("**SRF**"), may commence resolution proceedings in respect of a banking institution, such as BNPP, with a view to ensure the continuity of critical functions, to avoid the risks of contagion and to recapitalize or restore the viability of the institution.

Resolution powers are to be implemented so that, subject to certain exceptions, losses are borne first by shareholders, then by holders of additional capital instruments qualifying as tier 1 and tier 2 (such as subordinated bonds), then by the holders of senior non preferred debt and finally by the holders of senior preferred debt in accordance with the order of their claims in normal insolvency proceedings.

Resolution authorities have broad powers to implement resolution measures with respect to institutions and groups subject to resolution proceedings, which may include (without limitation): the total or partial sale of the institution's business to a third party or a bridge institution, the separation of assets, the replacement or substitution of the institution as obligor in respect of debt instruments, the full or partial write-down of capital instruments, the dilution of capital instruments through the issuance of new equity, the full or partial write-down or conversion into equity of debt instruments, modifications to the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments), discontinuing the listing and admission to trading of financial instruments, the dismissal of managers or the appointment of a special manager (*administrateur spécial*).

Certain powers, including the full or partial write-down of capital instruments, the dilution of capital instruments through the issuance of new equity, the full or partial write-down or conversion into equity of additional capital instruments qualifying as tier 1 and tier 2 (such as subordinated bonds), can also be exercised as a precautionary measure, outside of resolution proceedings and/or pursuant to the European Commission's State Aid framework if the institution requires exceptional public financial support.

The implementation of these tools and powers may result in significant structural changes to the relevant financial institutions and their groups (including as a result of asset or business sales or the creation of bridge institutions) and in a partial or total write-down, modification or variation of claims of shareholders and creditors.

Pursuant to the SRM, on 19 December 2014, the Council adopted the proposal for a Council implementing act to calculate the contributions of banks to the SRF, which replaces national resolution funds as from 1 January 2016 and provides for annual contributions to the SRF to be made by banks calculated on the basis of their liabilities, excluding own funds and covered deposits and adjusted for risks. Moreover, the Regulation of the European Commission dated 21 October 2014, adopted pursuant to the BRRD provides for an obligation for banks to have adequate financial resources to ensure the effective application of the resolution tools and powers by the relevant resolution authority. In this context, the resolution authorities, such as the ACPR or the SRB, determined the annual contributions that must be paid to resolution financing arrangements by each banking institution in proportion to its risk profile. As a consequence, contributions to the SRF and to resolution financing arrangements are significant for BNPP and hence weigh on its results of operations.

Moreover, the Directive of 16 April 2014 on deposit guarantee schemes, transposed into French law by the Ordinance of 20 August 2015 created national deposit guarantee schemes. Other proposals for legislative and regulatory reforms could also have an impact if they were enacted into law. Thus, a draft European Parliament Regulation dated 24 November 2015 completed such Directive of 16 April 2014 through a step plan to create a European deposit insurance scheme that will progressively cover all or part of participating national deposit guarantee schemes.

On 23 November 2016, the European Commission issued several legislative proposals proposing to amend a number of key EU banking directives and regulations, including CRD 4/CRR, BRRD and the SRM, the purpose of which is inter alia to reflect more accurately long-term funding risk and excessive leverage, increase the loss-absorption capacity of globally significant institutions, improve the treatment of market risks by increasing the risk sensitivity of the existing rules and increase convergence within the European Union in the area of insolvency law and restructuring proceedings, particularly through the introduction of a moratorium tool. These proposals remain subject to amendments by the Parliament and the Council and are scheduled to be adopted in 2019. It is not yet possible to assess the full impact of these proposals.

Furthermore, a proposal for a Regulation of the European Parliament and of the Council of 29 January 2014 on structural measures improving the resilience of EU credit institutions, as amended on 19 June 2015, would prohibit certain proprietary trading activities by European credit institutions that meet certain criteria (particularly as to size) and require them to conduct certain high-risk trading activities only through subsidiaries.

Finally, new regulations designed to enhance the transparency and soundness of financial markets, such as the so-called "EMIR" Regulation of 4 July 2012 on OTC derivatives, central counterparties and trade repositories and the measures adopted or to be adopted thereunder (including in relation to the Commission delegated Regulation of 4 October 2016 that specifies how margin should be calculated and exchanged in respect of non-cleared OTC derivative contracts), Regulation of 25 November 2015 on transparency of securities financing transactions and Directive and Regulation of 15 May 2014 on markets in financial instruments ("**MiFID 2**") may be a source of additional uncertainty and compliance risk and, more generally, the costs incurred due to the implementation of such regulations may have a negative impact on the profitability of certain activities currently conducted by BNPP and weigh on BNPP's results of operations and financial condition.

#### *U.S Laws and Regulations*

Bank regulation in the United States has been substantially changed and expanded in the wake of the financial crisis, including as follows. A final rule issued by the Board of Governors of the U.S. Federal Reserve System (the "**Federal Reserve Board**") imposing enhanced prudential standards on the U.S. operations of large foreign banks required BNPP to designate or create an intermediate holding company ("**IHC**") for its U.S. subsidiaries by 1 July 2016. BNPP's IHC, BNP Paribas USA, Inc., must comply with risk-based and leverage capital requirements, liquidity requirements, long-term debt requirements, supervisory stress testing and capital planning requirements as well as other prudential requirements on a stand-alone basis. In addition, on 4 March 2016, the Federal Reserve Board re-proposed single counterparty credit limits that would apply to both the U.S. IHCs and the combined U.S. operations (including U.S. branch operations) of systemically important foreign banking organizations (such as BNPP). Under proposals that remain under consideration, the IHC and the combined U.S. operations of BNPP may become subject to limits on credit exposures to any single counterparty, and the combined U.S. operations of BNPP may also become subject to an early remediation regime which could be triggered by risk-based capital, leverage, stress tests, liquidity, risk management and market indicators. The Federal Reserve Board has also indicated that it is considering future rulemakings that could apply the U.S. rules implementing the Basel III liquidity coverage ratio and net stable funding ratio to the combined U.S. operations (including U.S. branch operations) of certain large foreign banking organizations. The scope and timing for the implementation of these liquidity requirements as well as additional expected changes to the capital and stress testing requirements and their impact on BNPP is difficult to predict at this point. On 15 December 2016, the Federal Reserve Board issued final rules that implement in the United States the Financial Stability Board's standards for a TLAC framework. The final rules require, among other things, BNPP's U.S. IHC to maintain minimum levels of TLAC, consisting of the IHC's Tier 1 capital plus a minimum amount of long-term debt satisfying certain eligibility criteria, and a related TLAC buffer. BNPP will be subject to these requirements commencing 1 January 2019. BNPP's U.S. IHC will be required to issue this long-term debt internally to any foreign affiliate that is wholly owned, directly or indirectly, by BNPP, for so long as BNPP maintains a single-point-of-entry resolution strategy. The rules also impose limitations on the types and amount of other financial transactions that BNPP's U.S. IHC may engage in. On 23 September 2016, the Federal Reserve Board proposed additional prudential requirements with respect to the physical commodity activities of financial holding companies ("**FHCs**") (such as BNPP), including significantly elevated capital requirements for physical commodity activities (and for investments in merchant banking companies that engage in physical commodity activities) that, according to the Federal Reserve Board, have the potential to expose an FHC to environmental liability. Finally, the "Volcker Rule", adopted by the U.S. regulatory authorities in December 2013, places certain restrictions on the ability of U.S. and non-U.S. banking entities, including BNPP and its affiliates, to engage in proprietary trading and to sponsor or invest in private equity and hedge funds. BNPP was generally required to come into compliance with the Volcker Rule by July 2015, although the Federal Reserve Board has extended the conformance deadline for pre-2014 "legacy" investments in and relationships with private equity funds and hedge funds until 21 July 2017. The Volcker Rule's implementing regulations are highly complex and may be subject to further regulatory interpretation and guidance, and its full impact will not be known with certainty for some time. U.S. regulators have also recently adopted or proposed new rules regulating OTC derivatives activities under Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act. In late 2015, the Federal Reserve Board and other U.S. banking regulators finalized margin requirements applicable to uncleared swaps and security-based swaps entered into

by swap dealers, major swap participants, security-based swap dealers and major security-based swap participants that are regulated by one of the U.S. banking regulators, including BNPP. These margin requirements, which began a progressive entry into effect in September 2016, will require BNPP to post and collect additional, high-quality collateral for certain transactions, which will increase the costs of uncleared swaps and security-based swaps offered by BNPP to its customers who are "U.S. persons" as defined under the rules which apply globally. The U.S. Commodity Futures Trading Commission also finalized rules in 2016 that will require additional interest rate swaps to be cleared, which are expected to come into effect in phases based on the implementation of parallel clearing requirements in non-U.S. jurisdictions and in any event by October 2018, and has also proposed rules that would apply position limits to certain physical commodity swaps. The U.S. Securities and Exchange Commission also finalized rules in 2015 and 2016 regarding the registration of security-based swap dealers and major security-based swap participants, business conduct and trade acknowledgment and verification requirements for such entities, and obligations relating to transparency and mandatory reporting of security-based swap transactions. Further rules and regulations are expected in 2017 to complete this regulatory framework. The scope and timing for the implementation of these requirements, and therefore their impact on BNPP's swap business, is difficult to predict at this stage.

In sum, extensive legislative and regulatory reform in respect of financial institutions has been enacted in recent years and some remains in progress. It is impossible to accurately predict which additional measures will be adopted or to determine the exact content of such measures and, given the complexity and uncertainty of a number of these measures, their ultimate impact on BNPP. The overall effect of these measures, whether already adopted or in the process of being adopted, has been and may further be to restrict BNPP's ability to allocate and apply capital and funding resources, limit its ability to diversify risk, reduce the availability of certain funding and liquidity resources, increase its funding costs, increase the cost for or reduce the demand for the products and services it offers, result in the obligation to carry out internal reorganizations, structural changes or divestitures, affect its ability to conduct (or impose limitations on) certain types of business as currently conducted, limit its ability to attract and retain talent, and, more generally, affect its competitiveness and profitability, which would in turn have an adverse effect on its business, financial condition, and results of operations.

*BNPP is subject to extensive and evolving regulatory regimes in the jurisdictions in which it operates.*

BNPP faces the risk of changes in legislation or regulation in all of the countries in which it operates, including, but not limited to, the following:

- monetary, liquidity, interest rate and other policies of central banks and regulatory authorities;
- changes in government or regulatory policy that may significantly influence investor decisions, in particular in the markets in which the Group operates;
- changes in regulatory requirements applicable to the financial industry, such as rules relating to applicable governance, remunerations, capital adequacy and liquidity frameworks, restrictions on activities considered as speculative and recovery and resolution frameworks;
- changes in securities regulations as well as in financial reporting, disclosure and market abuse regulations;
- changes in the regulation of certain types of transactions and investments, such as derivatives and securities financing transactions and money market funds;
- changes in the regulation of market infrastructures, such as trading venues, central counterparties, central securities depositories, and payment and settlement systems;
- changes in tax legislation or the application thereof;
- changes in accounting norms;

- changes in rules and procedures relating to internal controls, risk management and compliance;
- expropriation, nationalisation, price controls, exchange controls, confiscation of assets and changes in legislation relating to foreign ownership;

These changes, the scope and implications of which are highly unpredictable, could substantially affect BNPP and have an adverse effect on its business, financial condition and results of operations. Some reforms not aimed specifically at financial institutions, such as measures relating to the funds industry or promoting technological innovation (such as open data projects), could facilitate the entry of new players in the financial services sector or otherwise affect BNPP's business model, competitiveness and profitability, which could in turn affect its financial condition and results of operations.

*BNPP may incur substantial fines and other administrative and criminal penalties for non-compliance with applicable laws and regulations, and may also incur losses in related (or unrelated) litigation with private parties.*

BNPP is exposed to regulatory compliance risk, i.e. the failure to comply fully with the laws, regulations, codes of conduct, professional norms or recommendations applicable to the financial services industry. This risk is exacerbated by the adoption by different countries of multiple and occasionally diverging and even conflicting legal or regulatory requirements. Besides damage to BNPP's reputation and private rights of action (including class actions introduced into French law in 2014), non-compliance could lead to material legal proceedings, fines and expenses (including fines and expenses in excess of recorded provisions), public reprimand, enforced suspension of operations or, in extreme cases, withdrawal by the authorities of operating licenses. This risk is further exacerbated by continuously increasing regulatory scrutiny of financial institutions. Moreover, litigation by private parties against financial institutions has substantially increased in recent years. Accordingly, BNPP faces significant legal risk in its business, and the volume and amount of damages claimed in litigation, regulatory proceedings and other adversarial proceedings against financial services firms have substantially increased in recent years and may increase further.

In this respect, on 30 June 2014 BNPP entered into a series of agreements with, and was the subject of several orders issued by, U.S. federal and New York state government agencies and regulatory authorities including the U.S. Department of Justice, the New York County District Attorney's Office, the U.S. Attorney's Office for the Southern District of New York, the Board of Governors of the Federal Reserve System, the Office of Foreign Assets Control of the U.S. Department of the Treasury and the New York State Department of Financial Services, in settlement of investigations into violations of U.S. laws and regulations regarding economic sanctions. The fines and penalties imposed on BNPP as part of this settlement included, among other things, the payment of monetary penalties amounting in the aggregate to \$8.97 billion (€6.6 billion), guilty pleas by BNP Paribas S.A., the parent company of the BNP Paribas group, to charges of having violated U.S. federal criminal law (conspiracy to violate the Trading with the Enemy Act and the International Emergency Economic Powers Act) and New York State criminal law (conspiracy and falsifying business records), and the suspension of the New York branch of BNP Paribas for (a) a one-year period (2015) of USD direct clearing focused mainly on the Oil & Gas Energy and Commodity Finance business line in certain locations and (b) a two-year period of U.S. dollar clearing as a correspondent bank for unaffiliated third party banks in New York and London. Following this settlement, BNPP remains subject to increased scrutiny by regulatory authorities (including via the presence within BNPP of an independent consultant) who are monitoring its compliance with a remediation plan agreed with them.

BNPP is currently involved in various litigations and investigations as summarized in Note 7.b "Contingent liabilities: legal proceedings and arbitration" to its 2016 consolidated financial statements. It may become involved in further such matters at any point. No assurance can be given that an adverse outcome in one or more of such matters would not have a material adverse effect on BNPP's operating results for any particular period.

## **Risks Related to BNPP, its Strategy, Management and Operations**

*Risks related to the implementation of BNPP's strategic plans.*

BNPP has announced a certain number of strategic objectives, in particular in a transformation plan for CIB for the 2016-2019 period presented in February 2016 and a strategic plan for the 2017-2020 period presented on 7 February 2017. These plans contemplate a number of initiatives, including the implementation of new customer pathways, the digital transformation of BNPP, continuing to improve operating efficiency and various business development initiatives.

The plans include a number of financial targets and objectives relating to net banking income, operating costs, net income, capital adequacy ratios and return on equity, among other things. These financial targets and objectives were established primarily for purposes of internal planning and allocation of resources, and are based on a number of assumptions with regard to business and economic conditions.

BNPP's actual results could vary significantly from these targets and objectives for a number of reasons, including the occurrence of one or more of the risk factors described elsewhere in this section.

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

BNPP makes acquisitions on a regular basis. Integrating acquired businesses is a long and complex process. Successful integration and the realisation of synergies require, among other things, proper coordination of business development and marketing efforts, retention of key members of management, policies for effective recruitment and training as well as the ability to adapt information and computer systems. Any difficulties encountered in combining operations could result in higher integration costs and lower savings or revenues than expected. There will accordingly be uncertainty as to the extent to which anticipated synergies will be achieved and the timing of their realisation. Moreover, the integration of BNPP's existing operations with those of the acquired operations could interfere with the respective businesses and divert management's attention from other aspects of BNPP's business, which could have a negative impact on the business and results of BNPP. In some cases, moreover, disputes relating to acquisitions may have an adverse impact on the integration process or have other adverse consequences, including financial ones.

Although BNPP undertakes an in-depth analysis of the companies it plans to acquire, such analyses often cannot be complete or exhaustive. As a result, BNPP may increase its exposure to doubtful or troubled assets and incur greater risks as a result of its acquisitions, particularly in cases in which it was unable to conduct comprehensive due diligence prior to the acquisition.

*Intense competition by banking and non-banking operators could adversely affect BNPP's revenues and profitability.*

Competition is intense in all of BNPP's primary business areas in France and the other countries in which it conducts a substantial portion of its business, including other European countries and the United States. Competition in the banking industry could intensify as a result of consolidation in the financial services area or as a result of the presence of new players in the payment and the financing services area or the development of crowdfunding. In particular, competitors subject to less extensive regulatory requirements or to less strict capital requirements (e.g., debt funds, shadow banks), or benefiting from economies of scale, data synergies or technological innovation (e.g., internet and mobile operators, fintechs), could be more competitive. If BNPP is unable to respond to the competitive environment in France or in its other major markets by offering attractive and profitable product and service solutions, it may lose market share in key areas of its business or incur losses on some or all of its activities. In addition, downturns in the economies of its principal markets could add to the competitive pressure, through, for example, increased price pressure and lower business volumes for BNPP and its competitors. It is also possible that the presence in the global marketplace of State-owned financial institutions, or financial institutions benefiting from State guarantees or other similar advantages, or the imposition of more stringent requirements (particularly capital requirements and business

restrictions) on large or systemically significant financial institutions, could lead to distortions in competition in a manner adverse to large private-sector institutions such as BNPP.

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

In connection with its lending activities, BNPP regularly establishes provisions for loan losses, which are recorded in its profit and loss account under "cost of risk". BNPP's overall level of provisions is based on its assessment of prior loss experience, the volume and type of lending being conducted, industry standards, past due loans, economic conditions and other factors related to the recoverability of various loans. Although BNPP seeks to establish an appropriate level of provisions, its lending businesses may have to increase their provisions for loan losses substantially in the future as a result of deteriorating economic conditions or other causes. Any significant increase in provisions for loan losses or a significant change in BNPP's estimate of the risk of loss inherent in its portfolio of non-impaired loans, as well as the occurrence of loan losses in excess of the related provisions, could have a material adverse effect on BNPP's results of operations and financial condition.

BNPP also establishes provisions for contingencies and charges including in particular provisions for litigations. Any loss arising from a risk that has not already been provisioned or that is greater than the amount of the provision would have a negative impact on BNPP's results of operation and, potentially, its financial condition.

*BNPP's risk management policies, procedures and methods may leave it exposed to unidentified or unanticipated risks, which could lead to material losses.*

BNPP has devoted significant resources to developing its risk management policies, procedures and assessment methods and intends to continue to do so in the future. Nonetheless, BNPP's risk management techniques and strategies may not be fully effective in mitigating its risk exposure in all economic and market environments or against all types of risk, particularly risks that BNPP may have failed to identify or anticipate. BNPP's ability to assess the creditworthiness of its customers or to estimate the values of its assets may be impaired if, as a result of market turmoil such as that experienced in recent years, the models and approaches it uses become less predictive of future behaviour, valuations, assumptions or estimates. Some of BNPP's qualitative tools and metrics for managing risk are based on its use of observed historical market behaviour. BNPP applies statistical and other tools to these observations to arrive at quantifications of its risk exposures. The process BNPP uses to estimate losses inherent in its credit exposure or estimate the value of certain assets requires difficult, subjective, and complex judgments, including forecasts of economic conditions and how these economic predictions might impair the ability of its borrowers to repay their loans or impact the value of assets, which may, during periods of market disruption, be incapable of accurate estimation and, in turn, impact the reliability of the process. These tools and metrics may fail to predict future risk exposures, e.g., if BNPP does not anticipate or correctly evaluate certain factors in its statistical models, or upon the occurrence of an event deemed extremely unlikely by the tools and metrics. This would limit BNPP's ability to manage its risks. BNPP's losses could therefore be significantly greater than the historical measures indicate. In addition, BNPP's quantified modelling does not take all risks into account. Its more qualitative approach to managing certain risks could prove insufficient, exposing it to material unanticipated losses.

*BNPP's hedging strategies may not prevent losses.*

If any of the variety of instruments and strategies that BNPP uses to hedge its exposure to various types of risk in its businesses is not effective, BNPP may incur losses. Many of its strategies are based on historical trading patterns and correlations. For example, if BNPP holds a long position in an asset, it may hedge that position by taking a short position in another asset where the short position has historically moved in a direction that would offset a change in the value of the long position. However, the hedge may only be partial, or the strategies used may not protect against all future risks or may not be fully effective in mitigating BNPP's risk exposure in all market environments or against all types of risk in the future. Unexpected market developments may also reduce the effectiveness of BNPP's hedging



strategies. In addition, the manner in which gains and losses resulting from certain ineffective hedges are recorded may result in additional volatility in BNPP's reported earnings.

*Adjustments to the carrying value of BNPP's securities and derivatives portfolios and BNPP's own debt could have an impact on its net income and shareholders' equity.*

The carrying value of BNPP's securities and derivatives portfolios and certain other assets, as well as its own debt, in its balance sheet is adjusted as of each financial statement date. Most of the adjustments are made on the basis of changes in fair value of its assets or its debt during an accounting period, with the changes recorded either in the income statement or directly in shareholders' equity. Changes that are recorded in the income statement, to the extent not offset by opposite changes in the value of other assets, affect its consolidated revenues and, as a result, its net income. All fair value adjustments affect shareholders' equity and, as a result, its capital adequacy ratios. The fact that fair value adjustments are recorded in one accounting period does not mean that further adjustments will not be needed in subsequent periods.

*The expected changes in accounting principles relating to financial instruments may have an impact on BNPP's balance sheet and regulatory capital ratios and result in additional costs.*

In July 2014, the International Accounting Standards Board published International Financial Reporting Standard 9 ("IFRS 9") "Financial Instruments", which is set to replace IAS 39 as from 1 January 2018 after its adoption by the European Union. The standard amends and complements the rules on the classification and measurement of financial instruments. It includes a new impairment model based on expected credit losses ("ECL"), while the current model is based on provisions for incurred losses, and new rules on general hedge accounting. The new approach based on ECL could result in substantial additional impairment charges for BNPP and add volatility to its regulatory capital ratios, and the costs incurred by BNPP relating to the implementation of such norms may have a negative impact on its results of operations.

*BNPP's competitive position could be harmed if its reputation is damaged.*

Considering the highly competitive environment in the financial services industry, a reputation for financial strength and integrity is critical to BNPP's ability to attract and retain customers. BNPP's reputation could be harmed if it fails to adequately promote and market its products and services. BNPP's reputation could also be damaged if, as it increases its client base and the scale of its businesses, BNPP's comprehensive procedures and controls dealing with conflicts of interest fail, or appear to fail, to address conflicts of interest properly. At the same time, BNPP's reputation could be damaged by employee misconduct, fraud or misconduct by market participants to which BNPP is exposed, a decline in, a restatement of, or corrections to its financial results, as well as any adverse legal or regulatory action such as the settlement BNPP entered into in with the U.S. authorities for violations of U.S. laws and regulations regarding economic sanctions. Such risks to reputation have recently increased as a result of the growing use of social networks within the economic sphere. The loss of business that could result from damage to the Bank's reputation could have an adverse effect on its results of operations and financial position.

*An interruption in or a breach of BNPP's information systems may result in material losses of client or customer information, damage to BNPP's reputation and lead to financial losses.*

As with most other banks, BNPP relies heavily on communications and information systems to conduct its business. This dependency has increased with the spread of mobile and online banking services, and the development of cloud computing. Any failure or interruption or breach in security of these systems could result in failures or interruptions in BNPP's customer relationship management, general ledger, deposit, servicing and/or loan organisation systems. BNPP cannot provide assurances that such failures or interruptions will not occur or, if they do occur, that they will be adequately addressed. An increasing number of companies (including financial institutions) have in recent years experienced intrusion attempts or even breaches of their information technology security, some of which have involved sophisticated and highly targeted attacks on their computer networks. Because the techniques used to obtain

unauthorised access, disable or degrade service, steal confidential data or sabotage information systems have become more sophisticated, change frequently and often are not recognised until launched against a target, BNPP may be unable to anticipate these techniques or to implement in a timely manner effective and efficient countermeasures. Any failures of or interruptions in BNPP's information systems and any subsequent disclosure of confidential information related to any client, counterpart or employee of BNPP (or any other person) or any intrusion or attack against BNPP's communication system could have an adverse effect on BNPP's reputation, financial condition and results of operations.

*Unforeseen external events may disrupt BNPP's operations and cause substantial losses and additional costs.*

Unforeseen events such as an adverse change in the political, military or diplomatic environments, political and social unrest, severe natural disasters, a pandemic, terrorist attacks, military conflicts or other states of emergency could affect the demand for the products and services offered by BNPP, or lead to an abrupt interruption of BNPP's operations, in France or abroad, and could cause substantial losses that may not necessarily be covered by an insurance policy. Such losses can relate to property, financial assets, trading positions and key employees. Such unforeseen events could also lead to temporary or longer-term business interruption, additional costs (such as relocation of employees affected) and increase BNPP's costs (particularly insurance premiums).

### **Risk Factors Relating to BNPP B.V.**

The main risks described above in relation to BNPP also represent the main risks for BNPP B.V., either as an individual entity or a company of the BNPP Group.

#### *Dependency Risk*

BNPP B.V. is an operating company. The assets of BNPP B.V. consist of the obligations of other BNPP Group entities. The ability of BNPP B.V. to meet its own obligations will depend on the ability of other BNPP Group entities to fulfil their obligations. In respect of securities it issues, the ability of BNPP B.V. to meet its obligations under such securities depends on the receipt by it of payments under certain hedging agreements that it enters with other BNPP Group entities. Consequently, Holders of BNPP B.V. securities will, subject to the provisions of the Guarantee issued by BNPP, be exposed to the ability of BNP Group entities to perform their obligations under such hedging agreements.

#### *Market risk*

BNPP B.V. takes on exposure to market risks arising from positions in interest rates, currency exchange rates, commodities and equity products, all of which are exposed to general and specific market movements. However, these risks are hedged by option and swap agreements and therefore these risks are mitigated in principle.

#### *Credit risk*

BNPP B.V. has significant concentration of credit risks as all OTC contracts are acquired from its parent company and other BNPP Group entities. Taking into consideration the objective and activities of BNPP B.V. and the fact that its parent company is under supervision of the European Central Bank and the *Autorité de Contrôle Prudentiel et de Résolution* management considers these risks as acceptable. The long term senior debt of BNP Paribas is rated (A) by Standard & Poor's and (A1) by Moody's.

#### *Liquidity risk*

BNPP B.V. has significant liquidity risk exposure. To mitigate this exposure, BNPP B.V. entered into netting agreements with its parent company and other BNPP Group entities.

## RISK FACTORS RELATING TO SECURITIES

### 1. General

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 redeemed for no value. Purchasers should be prepared to sustain a total loss of the purchase price of their Securities. See "*Certain Factors Affecting the Value and Trading Price of Securities*" below. Prospective purchasers of Securities should be experienced with respect to options and option transactions, should understand the risks of transactions involving the relevant Securities and should reach an investment decision only after careful consideration, with their advisers, of the suitability of such Securities in light of their particular financial circumstances, the information set forth herein and the information regarding the relevant Securities and the particular underlying index (or basket of indices), share, 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), currency futures or options contracts, fund share or unit (or basket of fund shares or units), fund index (or basket of fund indices) 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"**).

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 purchase price of a Security on expiration means that, in order to recover and realise a return upon his or her investment, a purchaser of a Security must generally be correct about the direction, timing and magnitude of an anticipated change in the value of the Underlying Reference or credit risk of the Reference Entity (**"Entities"**) which may be specified in the applicable Final Terms. Assuming all other factors are held constant, the lower the value of a Security and the shorter the remaining term to expiration, the greater the risk that purchasers 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 or fund indices 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, fund indices, 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. Purchasers of Securities risk losing their entire investment if the value of the relevant Underlying Reference does not move in the anticipated direction.

Each Issuer may issue several issues of Securities relating to various Underlying References. However, no assurance can be given that the relevant Issuer will issue any Securities other than the Securities to which a particular Final Terms relates. At any given time, the number of Securities outstanding may be substantial. Securities provide opportunities for investment and pose risks to investors as a result of fluctuations in the value of the underlying investment. In general, certain of the risks associated with Warrants are similar to those generally applicable to other options or warrants of private corporate issuers. 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.

#### *Possible Illiquidity of the Securities in the Secondary Market*

It is very difficult to predict the price at which Securities will trade in the secondary market or whether such market will be liquid or illiquid. The Issuer may, but is not obliged to, list Securities on a stock exchange. Also, to the extent Securities of a particular issue are exercised, the number of Securities of such issue outstanding will decrease, resulting in a diminished liquidity for the remaining Securities of such issue. A decrease in the liquidity of an issue of Securities may cause, in turn, an increase in the volatility associated with the price of such issue of Securities.

Each Issuer and any Manager may, but is not so obliged, at any time purchase Securities at any price in the open market or by tender or private offer/treaty. Any Securities so purchased may be held or resold or surrendered for cancellation as further described herein. A Manager may be a market-maker for an issue of Securities but, unless Buy-back Provisions are specified as applicable in the applicable Final Terms (in which case a Manager will be a market-maker on certain specified terms), it is not obliged to and may cease to do so at any time. Even if a Manager is a market-maker for an issue of Securities (including where BNP Paribas Arbitrage S.N.C. acts as market-maker), the secondary market for such Securities may be limited. In addition, Affiliates of each Issuer (including the relevant Manager as referred to above) may purchase Securities at the time of their initial distribution and from time to time thereafter.

For certain issues of Securities, BNP Paribas Arbitrage S.N.C. is required to act as market-maker. In those circumstances, BNP Paribas Arbitrage S.N.C. 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 BNP Paribas Arbitrage S.N.C. 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.

There may be no secondary market for the Securities and to the extent that an issue of Securities is or becomes illiquid, an investor may have to exercise such Securities to realise greater value than its then trading value. Securities sold in the United States or to U.S. persons may be subject to transfer restrictions.

#### *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, 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.

#### *Potential Loss of the Holder's Investment in the Securities*

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

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

#### *Securities (other than Secured Securities) are Unsecured Obligations*

The following risk factor applies to Securities other than Secured Securities:

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

Risk factors relating to the security, the collateral and the nature of the guarantee in respect of Secured Securities are set out in paragraph 5 below.

#### *Certain Factors Affecting the Value and Trading Price of Securities*

The trading price of the Securities may be affected by a number of factors including, but not limited to, the relevant price, value or level of the Underlying Reference(s), the time remaining until the scheduled expiration

date of the Securities, the actual or implied volatility associated with the Underlying Reference(s) and the correlation risk of the relevant Underlying Reference(s).

Before exercising or selling Securities, Holders 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, 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 expiration date of the Securities. Depending on the applicable payout, the value of the Securities may fluctuate as the time remaining until the scheduled expiration date decreases;
- (d) in the case of Cash Settled Warrants, 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, movements in interest rates and/or dividends may cause the theoretical 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 value of the Entitlement, as applicable.

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

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

*Meetings of Holders*

The Terms and Conditions of the Securities contain provisions for calling meetings of Holders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Holders including Holders who did not attend and vote at the relevant meeting and Holders who voted in a manner contrary to the majority. Only holders of French Law Securities will, in certain circumstances, be grouped for the defense of their common interests in a separate legal entity called "*Masse*" (as defined in "*Condition 9.4(b) Meetings of Holders – French Law Securities*").

*Potential Conflicts of Interest*

- (i) Certain entities within the Group or its affiliates (including, if applicable, any Manager) may also engage in trading activities (including hedging activities) relating to the Underlying Reference or Reference Entity and other instruments or derivative products based on or relating to the Underlying Reference or Reference Entity of any Securities for their proprietary accounts or for other accounts under their management;
- (ii) BNPP B.V., BNPP and their Affiliates (including, if applicable, any Manager) may also issue other derivative instruments in respect of the Underlying Reference;
- (iii) BNPP B.V., BNPP and their Affiliates (including, if applicable, any Manager) may also act as underwriter in connection with future offerings of shares or other securities relating to an issue of Securities or may act as financial adviser to certain companies or companies whose shares or other securities are included in a basket or in a commercial banking capacity for such companies;
- (iv) BNPP B.V., BNPP and their Affiliates (including, if applicable, any Manager) may act in a number of different capacities in relation to an underlying index, including, but not limited to, issuer of the constituents of the index, index sponsor or calculation agent;
- (v) In respect of ETI Securities and Fund Securities:
  - I. 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;
  - II. 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;
  - III. 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;
- (vi) In respect of Securities linked to an underlying custom index, various legal entities within the Group may undertake the role of Issuer of the Securities, Calculation Agent of the Securities, sponsor of the underlying custom index and Calculation Agent of the underlying custom index. BNP Paribas has policies and procedures to identify, consider and manage potential conflicts of interest which this situation may potentially generate; and
- (vii) Because the Calculation Agent (as defined below) may be an Affiliate of the relevant Issuer or, if applicable, the Guarantor, potential conflicts of interest may exist between the Calculation Agent and holders of the Securities, including with respect to certain determinations and judgments that the Calculation Agent must make, including whether a Market Disruption Event, a Settlement Disruption Event or Credit Event (each, as defined in the Conditions) has occurred. 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.

#### *Certain Considerations Regarding Purchasing Securities as Hedges*

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

#### *Bull and Bear Securities*

Bull Warrants and Bear Warrants (together, the "**Bull and Bear Securities**" or "**ETS Final Payout 2300**") 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 Warrants 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 Warrants 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 intraday trading or very short investment periods.

#### *The Issuer or the Guarantor (if applicable) may be substituted by another entity*

The conditions of the Securities provide that (except in the case of U.S. Securities) the Issuer may, following the occurrence of certain events, without the consent of the Holders and without regard to the interests of particular Holders, agree to the substitution of another company as the principal obligor under any Securities in place of the Issuer, subject to the conditions set out in Security Condition 13.2 (*Substitution of the Issuer or the Guarantor*). In particular, where the substitute is not BNPP, BNPP will guarantee the performance of the substitute's obligations under the Securities.

The conditions of the Securities also provide that the Issuer may, following the occurrence of certain events, without the consent of the Holders and without regard to the interests of particular Holders, agree to the



substitution of another company as the guarantor in respect of any Securities issued by BNPP B.V. in place of BNPP, subject to the conditions set out in Security Condition 13.5 (*Substitution of the Issuer or the Guarantor*). In particular, the creditworthiness of the substitute guarantor must be at least equal to that of BNPP, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner by reference to, inter alia, the long term senior debt ratings assigned by such rating agencies as the Calculation Agent determines.

The Issuer will give Holders notice of such substitution in accordance with Security Condition 10 (*Notices*).

#### *Modifications and adjustments to the terms and cancellation of the Securities*

If Essential Trigger is specified as applicable in the applicable Final Terms, the Issuer may only cancel the Securities or, alternatively, modify or adjust the terms of the Securities that are considered essential to the Holders following the occurrence of a force majeure or an event or circumstance (or combination of events or circumstances) that are not attributable to the Issuer and significantly alter the economics of the Securities, compared to the economics as of the Issue Date, as set out in Security Condition 6 (*General*).

#### *Credit Ratings may not Reflect all Risks*

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

In general, European regulated investors are restricted under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**") from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended, subject to transactional provisions that apply in certain circumstances). Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). The list of registered and certified rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Base Prospectus.

#### *Effect of Credit Rating Reduction*

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

#### *Waiver of set-off*

Unless Waiver of Set-Off is specified as not applicable in the applicable Final Terms, the Holders of the Securities waive any right of set-off, compensation and retention in relation to such Securities, insofar as permitted by applicable law.

*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, Holders will not be able to accelerate the payment of principal. Upon a payment default, the sole remedy available to Holders of such Securities for recovery of amounts owing in respect of any payment of principal 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.

#### *Taxation*

Potential purchasers and sellers of Securities should be aware that they may be required to pay stamp and other taxes or documentary charges in accordance with the laws and practices of the country where the Securities are transferred and/or any asset(s) are delivered.

#### *EU financial transaction tax*

On 14 February 2013, the European Commission issued proposals, including a draft Directive (the "**Commission's proposal**"), for a financial transaction tax ("**FTT**") to be adopted in certain participating EU member states (including Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia). However, Estonia has since stated that it will not participate. If the Commission's proposal was adopted, the FTT would be a tax primarily on "financial institutions" (which could include the Issuer) in relation to "financial transactions" (which would include the conclusion or modification of derivative contracts and the purchase and sale of financial instruments).

Under the 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 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 financial transaction is issued in a participating member state.

The FTT may give rise to tax liabilities for the relevant Issuer with respect to certain transactions if it is adopted based on the Commission's proposal. Examples of such transactions are the conclusion of a derivative contract in the context of the relevant Issuer's hedging arrangements or the purchase or sale of securities (such as charged assets) or the exercise/settlement of a warrant. The relevant Issuer is, in certain circumstances, able

to pass on any such tax liabilities to holders of the Securities and therefore this may result in investors receiving less than expected in respect of the Securities. It should also be noted that the FTT could be payable in relation to relevant transactions by investors in respect of the Securities (including secondary market transactions) if conditions for a charge to arise are satisfied and the FTT is adopted based on the Commission's proposal. Primary market transactions referred to in Article 5(c) of Regulation EC No 1287/2006 are expected to be exempt. There is however some uncertainty in relation to the intended scope of this exemption for certain money market instruments and structured issues.

However, the FTT proposal remains subject to negotiation between participating member states. It may therefore be altered prior to 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.

#### *U.S. Foreign Account Tax Compliance Act withholding*

While the Securities are in global form and held within the Clearing Systems, in all but the most remote circumstances, it is not expected that the reporting regime and potential withholding tax imposed by sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 ("**FATCA**") will affect the amount of any payment received by the Clearing Systems (see "*Taxation – Foreign Account Tax Compliance Act*" below). However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA) and provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. The Issuer's obligations under the Securities are discharged once it has made payment to, or to the order of, the common depositary or common safekeeper for the Clearing Systems (as bearer/registered holder of the Securities) and the Issuer has therefore no responsibility for any amount thereafter transmitted through the Clearing Systems and custodians or intermediaries. Further, foreign financial institutions in a jurisdiction which has entered into an intergovernmental agreement with the United States (an "**IGA**") are generally not expected to be required to withhold under FATCA or an IGA (or any law implementing an IGA) from payments they make.

#### *Hiring Incentives to Restore Employment Act withholding may affect payments on the Securities*

The U.S. Hiring Incentives to Restore Employment Act (the "**HIRE Act**") imposes a 30% withholding tax on payments to non-U.S. holders in respect of amounts attributable to U.S. source dividends that are paid or "deemed paid" under certain financial instruments if certain conditions are met. If an Issuer or any withholding agent determines that withholding is required, neither the Issuer nor any withholding agent will be required to pay any additional amounts with respect to amounts so withheld. A non-U.S. holder may be able to claim a refund of any excess withholding provided the required information is timely furnished to the IRS. Refund claims are subject to U.S. tax law requirements and there can be no assurance that a particular refund claim will be timely paid or paid at all. Prospective investors should refer to the section "*Taxation – Hiring Incentives to Restore Employment Act.*"

### *Benchmark reforms and licensing*

The London Inter-Bank Offered Rate ("**LIBOR**"), the Euro Interbank Offered Rate ("**EURIBOR**") are, and other types of indices, including (but not limited to) indices comprised of interest rates, equities, commodities, commodity indices, exchange traded products, foreign exchange rates, funds and combinations of any of the preceding types of indices which may be deemed to be "benchmarks", which have been the subject of recent national, international and other regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented.

Key international regulatory initiatives relating to the reform of benchmarks include (i) IOSCO's Principles for Financial Benchmarks<sup>5</sup> (the "**IOSCO Principles**") and 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 Directive 2008/48/EC and 2014/17/EC and Regulation (EU) No 596/2014 (the "**Benchmarks Regulation**"). The IOSCO Principles aim to create an overarching framework of principles for benchmarks to be used in financial markets, specifically covering (among other things) governance and accountability as well as the quality, integrity and transparency of benchmark design, determination and methodologies. A review published by IOSCO in February 2015 of the status of the voluntary market adoption of the IOSCO Principles noted that there has been significant but mixed progress on implementation of IOSCO Principles but that as the benchmarks industry is in a state of change, further steps may need to be taken by IOSCO in the future.

The Benchmarks Regulation was published in the official journal on 29 June 2016. Most of provisions of the Benchmarks Regulation will apply from 1 January 2018 with the exception of certain provisions (mainly on critical benchmarks) that applied from 30 June 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 European Union and will, 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 to comply with extensive requirements in relation to the administration of "benchmarks" and (ii) prevent certain uses by EU supervised entities of "benchmarks" of administrators that are not authorised/registered (or, if non-EU based, deemed equivalent or recognised or endorsed). The scope of the Benchmarks Regulation is wide and, in addition to so-called "critical benchmark" indices, such as EURIBOR, applies to many other indices (including "proprietary" indices or, potentially, baskets, portfolios or strategies) where used to determine the amount payable under or the value or performance of certain financial instruments for which a request for admission to trading on a trading venue has been made or which are traded on a trading venue (EU regulated market, EU multilateral trading facility ("**MTF**"), EU organised trading facility ("**OTF**") or via a systematic internaliser. Different types of benchmark (critical benchmarks, significant benchmarks, non-significant benchmarks and interest rate benchmarks, commodity benchmarks, regulated data benchmarks) are subject to some variations to take into account their characterisation.

The Benchmarks Regulation could have a material impact on any Securities for which a request for admission to trading on a trading venue has been made or which are traded on a trading venue or via a "systematic internaliser" linked to a "benchmark" index, including in any of the following circumstances:

- subject to any applicable transitional provisions, an index which is a "benchmark" could not be used by a supervised entity in certain ways if its administrator, or the benchmark is not entered in or is removed from ESMA's register of Benchmarks Regulation approved benchmarks (for example, of the administrator does not obtain or retain authorisation or registration under the Benchmarks Regulation,

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<sup>5</sup> Principles for Financial Benchmarks – Final Report - FR07/13, July 2013, as recently supplemented by IOSCO's Report on Guidance on the IOSCO Principles for Financial Benchmarks FR 13/2016 providing guidance on the statement of compliance

or, if based in a non-EU jurisdiction, the administrator does not obtain or retain recognition or endorsement and the administrator/benchmark does not benefit from equivalence); or

- the methodology or other terms of the "benchmark" could be changed in order to comply with the terms of the Benchmarks Regulation.

Any of the above changes or any other consequential changes to any benchmark as a result of international, national or other reforms or investigations, could potentially:

- lead to the Securities being de-listed, adjusted, redeemed early, subject to discretionary valuation by the Calculation Agent or otherwise impacted depending on the particular "benchmark" and the applicable terms of the Securities;
- affect the level of the published rate or the level of the benchmark, including causing it to be lower or more volatile than in the past;
- increase the costs of administering or otherwise participating in the setting of a "benchmark" and complying with such regulations or requirements;
- discourage market participants from continuing to administer or contribute to certain "benchmarks";
- trigger changes in the rules or methodologies used in certain "benchmarks";
- lead to the disappearance of certain "benchmarks" (or certain currencies or tenors of benchmarks); or
- have other adverse effects or unforeseen consequences.

Any such consequences could have a material adverse effect on the value of and return on any Securities.

A benchmark licence may also be required for the issuance or calculation of amounts payable under any Securities referencing a benchmark. To the extent any such licence is not obtained or retained, it may not be possible for the Securities to reference the benchmark and the Securities may be adjusted or redeemed early or otherwise impacted depending on the particular "benchmark" and the applicable terms of the Securities.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by benchmark reforms and licensing issues in making any investment decision with respect to the Securities.

#### *EU Resolution and Recovery Directive*

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 "**BRRD**") entered into force. The BRRD is designed to provide authorities with a credible set of tools to intervene sufficiently early and quickly in an unsound or failing institution so as to ensure the continuity of the institution's critical financial and economic functions, while minimising the impact of an institution's failure on the economy and financial system.

The BRRD has been applicable in all Member States since 1 January 2015, except for the general bail-in tool which has been applicable since 1 January 2016.

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 without requiring the consent of the shareholders or complying with the procedural requirements that would otherwise apply; (ii) bridge institution – which enables resolution authorities to transfer all or part of the business of the firm to a "bridge bank" (a public controlled entity holding such business or part of a business with a view to reselling it); (iii) asset separation – which enables resolution authorities to transfer impaired or problem 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 including Securities to equity (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 exploited the above resolution tools to the maximum extent possible 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 EU state aid framework.

An institution will be considered as 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).

The powers set out in the BRRD impact how credit institutions and investment firms are managed as well as, in certain circumstances, the rights of creditors. The impact of the BRRD and its implementing provisions on credit institutions, is currently unclear but its current and future implementation and application to any relevant Issuer or Guarantor or the taking of any action under it could materially affect the activity and financial condition of any relevant Issuer or Guarantor and the value of any Securities.

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.

#### *Implementation of BRRD in France*

The implementation of the BRRD in France was made by two main texts of legislative nature. First, the banking law dated 26 July 2013 regarding the separation and the regulation of banking activities (*Loi de séparation et de régulation des activités bancaires*) (as modified by the *ordonnance* dated 20 February 2014 (*Ordonnance portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière*)) (the "**Banking Law**") had anticipated the implementation of the BRRD. Secondly, Ordinance no. 2015-1024 dated 20 August 2015 (*Ordonnance no 2015-1024 du 20 août 2015 portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière*) (the "**Ordinance**") published in the Official Journal on 21 August 2015 has introduced various provisions amending and supplementing the Banking Law to adapt French law to European Union legislation regarding financial matters. Many of the provisions contained in the BRRD were already similar in effect to provisions contained in the Banking Law. Decree no. 2015-1160 dated 17 September 2015 and three orders dated 11 September 2015 (*décret et arrêtés*) implementing provisions of the Ordinance regarding (i) recovery planning, (ii)

resolution planning and (iii) criteria to assess the resolvability of an institution or group, have been published on 20 September 2015 to mostly implement the BRRD in France.

The Ordinance has been ratified by law no. 2016-1691 dated 9 December 2016 (*Loi n°2016-1691 du 9 décembre 2016 relative à la transparence, à la lutte contre la corruption et à la modernisation de la vie économique*) which also incorporates provisions which clarify the implementation of the BRRD.

French credit institutions (like BNPP) must now comply at all times with minimum requirements for own funds and eligible liabilities (the "MREL") since the publication in the Official Journal dated 3 September 2016 of the delegated Regulation (EU) 2016-1450 dated of 23 May 2016 supplementing the BRRD with regard to regulatory technical standards specifying the criteria relating to the methodology for setting the minimum requirement for own funds and eligible liabilities. The MREL is expressed as a percentage of total liabilities and equity of the institution and aims to prevent institutions to structure their commitments in a manner which could limit or prevent the effectiveness of the bail-in tools.

The impact of the BRRD and its implementing provisions on credit institutions, including BNPP, is currently unclear but its current and future implementation and application to BNPP or the taking of any action under it could materially affect the activity and financial condition of BNPP and the value of any Securities.

The French *Code monétaire et financier*, as amended by the Ordinance also provides that in exceptional circumstances, where the general bail-in tool is applied, the relevant resolution authority may exclude or partially exclude certain liabilities from the application of the write-down or conversion powers, in particular where: (a) it is not possible to bail-in that liability within a reasonable time; (b) the exclusion is strictly necessary and is proportionate to achieve the continuity of critical functions and core business lines of the institution under resolution; (c) the exclusion is strictly necessary and proportionate to avoid giving rise to widespread contagion, which would severely disrupt the functioning of financial markets, including of financial market infrastructures, in a manner that could cause a serious disturbance to the economy of a Member State of the European Union or of the European Union; or (d) the application of the general bail-in tool to those liabilities would cause a destruction in value such that the losses borne by other creditors would be higher than if those liabilities were excluded from bail-in. Consequently, where the relevant resolution authority decides to exclude or partially exclude an eligible liability or class of eligible liabilities, the level of write down or conversion applied to other eligible liabilities – due to Holders as the case may be - when not excluded, may be increased to take account of such exclusions. Subsequently, if the losses that would have been borne by those liabilities have not been passed on fully to other creditors, the French "Resolution and Deposits Guarantee Fund" (*Fonds de garantie des dépôts et de résolution*) or any other equivalent arrangement from a Member State, may make a contribution to the institution under resolution, under certain limits, including the requirement that such contribution does not exceed 5% of the global liabilities of such institution to (i) cover any losses which have not been absorbed by eligible liabilities and restore the net asset value of the institution under resolution to zero and/or (ii) purchase shares or other instruments of ownership or capital instruments in the institution under resolution, in order to recapitalise the institution. The last step - if there are losses left - would be an extraordinary public financial support through additional financial stabilisation tools. Any such extraordinary financial support must be provided in accordance with the EU state aid framework. An institution will be considered as 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).

The powers set out in the BRRD will impact how credit institutions, including BNPP, and investment firms are managed as well as, in certain circumstances, the rights of creditors. In particular, Holders may be subject to write-down (including to zero) or conversion into equity on any application of the general bail-in tool (including amendment of the terms of the Securities such as a variation of their maturity), which may result in

such holders losing some or all of their investment. The exercise of any power under the BRRD as applied to BNPP or any suggestion of such exercise could, therefore, materially adversely affect the rights of Holders, the price or value of their investment in any Securities and/or the ability of BNPP, acting as Issuer or Guarantor, as the case may be, to satisfy its obligations under any Securities.

The powers currently set out in the BRRD and its implementation in the French *Code monétaire et financier* are expected to impact how credit institutions, including BNPP, and large investment firms (those which are required to hold initial capital of € 730,000 by the fourth Capital Requirements Directive (CRD)) are managed as well as, in certain circumstances, the rights of creditors. For Member States (including France) participating in the Banking Union, the Single Resolution Mechanism (the "**SRM**") fully harmonises the range of available tools but Member States are authorized to introduce additional tools at a national level to deal with crises, as long as they are compatible with the resolution objectives and principles set out in the BRRD.

The Single Resolution Board works in close cooperation with the ACPR, in particular in relation to the elaboration of resolution planning, and has assumed full resolution powers since 1 January 2016, as the conditions for transfer of national contributions to the Single Resolution Fund were met by this date. It is not yet possible to assess the full impact of the BRRD and the French law provisions implementing the BRRD on BNPP and there can be no assurance that its implementation or the taking of any actions currently contemplated in it will not adversely affect the rights of Holders, the price or value of their investment in the Securities and/or the ability of BNPP to satisfy its obligations under the Securities.

Since November 2014, the European Central Bank ("**ECB**") has taken over the prudential supervision of significant credit institutions in the member states of the Eurozone under the SSM. In addition, a SRM has been put in place to ensure that the resolution of banks across the Eurozone is harmonised. As mentioned above, the SRM is managed by the SRB. Under Article 5(1) of the SRM Regulation, the SRM has been granted those responsibilities and powers granted to the member states' resolution authorities under the BRRD for those banks subject to direct supervision by the ECB. The ability of the SRB to exercise these powers came into force at the start of 2016.

BNPP has been designated as a significant supervised entity for the purposes of Article 49(1) of the SSM Regulations and is consequently subject to the direct supervision of the ECB in the context of the SSM. This means that BNPP is also subject to the SRM which came into force in 2015. The SRM Regulation mirrors the BRRD and, to a large part, refers to the BRRD so that the SRB is able to apply the same powers that would otherwise be available to the relevant national resolution authority.

#### *Implementation of BRRD in The Netherlands*

The BRRD was adopted by the European Council on 6 May 2014. Member States should have implemented the BRRD by 1 January 2015 (except for the bail-in tool which should have been implemented by 1 January 2016). On 26 November 2015, the BRRD was implemented in the Netherlands. As an exempt group finance company, BNPP B.V. is not subject to the Dutch implementing rules of the BRRD, nor is BNPP.

#### *French Insolvency Law*

Under French insolvency law holders of debt securities are automatically grouped into a single assembly of holders (the "**Assembly**") in order to defend their common interests if a safeguard procedure (*procédure de sauvegarde*), accelerated safeguard (*procédure de sauvegarde accélérée*), accelerated financial safeguard procedure (*procédure de sauvegarde financière accélérée*) or a judicial reorganisation procedure (*procédure de redressement judiciaire*) is opened in France with respect to the Issuer.

The Assembly comprises holders of all debt securities issued by the Issuer (including the Securities), whether or not under a debt issuance programme and regardless of their ranking and their governing law.



The Assembly deliberates on the proposed safeguard plan (*projet de plan de sauvegarde*), is proposed accelerated safeguard (*projet de plan de sauvegarde accélérée*), proposed accelerated financial safeguard plan (*projet de plan de sauvegarde financière accélérée*) or proposed judicial reorganisation plan (*projet de plan de redressement*) applicable to BNPP and may further agree to:

- partially or totally reschedule payments which are due and/or write-off debts and/or convert debts into equity (including with respect to amounts owed under the Securities; and/or
- establish an unequal treatment between holders of debt securities (including the Holders) as appropriate under the circumstances.

Decisions of the Assembly will be taken by a two-thirds majority (calculated as a proportion of the amount of debt securities held by the holders expressing a vote). No quorum is required to hold the Assembly.

For the avoidance of doubt, the provisions relating to the *Masse* and the General Meeting of the Holders set out in the Conditions will not be applicable in these circumstances.

#### *Credit Risk Retention*

The Secured Securities sold as part of the initial distribution of any Secured Securities may not be purchased by any person except for persons that are not "U.S. persons" as defined in the U.S. Risk Retention Rules, or "**Risk Retention U.S. Persons**". "**U.S. Risk Retention Rules**" means Regulation RR (17 C.F.R Part 246) implementing the risk retention requirements of Section 15G of the U.S. Securities Exchange Act of 1934, as amended. Prospective investors should note that, although the definition of "U.S. person" in the U.S. Risk Retention Rules is very similar to the definition of "U.S. person" in Regulation S, there are substantial differences between the two definitions and that persons who are not "U.S. persons" under Regulation S may be "U.S. persons" under the U.S. Risk Retention Rules. Each purchaser of Secured Securities, including beneficial interests in such Secured Securities shall be deemed to have made the following representations: that it (1) is not a Risk Retention U.S. Person, (2) is acquiring such Secured Securities or a beneficial interest in such Secured Securities for its own account and not with a view to distribute such Secured Securities, or, in the case of a distributor, will only distribute such Secured Securities to a person which is not a Risk Retention U.S. Person, and (3) is not acquiring such Secured Securities or a beneficial interest in such Secured Securities as part of a scheme to evade the requirements of the U.S. Risk Retention Rules.

Notwithstanding the foregoing, the Issuer may sell a limited portion of the Secured Securities to, or for the account or benefit of, Risk Retention U.S. Persons under an exemption from the U.S. Risk Retention Rules.

The U.S. Risk Retention Rules generally require the "securitizer" of a "securitization transaction" to retain at least 5 per cent. of the "credit risk" of "securitized assets", as such terms are defined for purposes of U.S. Risk Retention Rules, and generally prohibit a securitizer from directly or indirectly eliminating or reducing its credit exposure by hedging or otherwise transferring the credit risk that the securitizer is required to retain. The U.S. Risk Retention Rules also provide for certain exemptions from the risk retention obligations.

The issuance of the Secured Securities was not designed to comply with the U.S. Risk Retention Rules other than the "foreign safe harbor" exemption under the U.S. Risk Retention Rules, and no other steps have been taken by the Issuer, BNPP, any Manager or any of their affiliates or any other party to accomplish such compliance.

The Secured Securities are being issued and offered in reliance on an exemption from the U.S. Risk Retention Rules for non-U.S. transactions. To qualify for the "foreign safe harbor" exemption, non-U.S. transactions must meet certain requirements, including that (1) the transaction is not required to be and is not registered under the Securities Act; (2) no more than 10 per cent. of the securities issued in the securitization transaction

are sold or transferred to, or for the account or benefit of, U.S. persons (as defined in the U.S. Risk Retention Rules and referred to in this prospectus as "Risk Retention U.S. Persons"); (3) neither the sponsor nor the issuer of the securitization transaction is organized under U.S. law or is a branch located in the United States of a non-U.S. entity; and (4) no more than 25 per cent. of the underlying collateral was acquired from a majority-owned affiliate or branch of the sponsor or issuer organized or located in the United States.

It is not certain whether the foreign safe harbor exemption from the U.S. Risk Retention Rules will be available. Failure of the offering to comply with the U.S. Risk Retention Rules (regardless of the reason for the failure to comply) could give rise to regulatory action which may adversely affect the Secured Securities. Furthermore, the impact of the U.S. Risk Retention Rules on the securitization markets generally is uncertain, and a failure by a transaction to comply with the U.S. Risk Retention Rules could negatively affect the market value and secondary market liquidity of the Secured Securities.

#### *Change of Law*

The Conditions of English Law Securities are based on English law in effect as at the date of this Base Prospectus. The Conditions of French Law Securities are based on French law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to an administrative practice or change to English law or French law, as applicable, after the date of this Base Prospectus and any such change could materially adversely impact the value of any Securities affected by it.

#### *Termination of Securities in the Event of Illegality or Impracticability*

If the Issuer determines that the performance of its obligations under the Securities has become illegal or impracticable in whole or in part for any reason, the Issuer may cancel the Securities by paying to each Holder the fair market value of such Securities less, except in the case of Italian Listed Securities or 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. Such cancellation may result in an investor not realising a return on an investment in the Securities.

#### *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 amount payable or deliverable on exercise of the Securities may in certain circumstances be changed during the life of the Securities*

If Payout Switch Election or Automatic Payout Switch is specified in the applicable Final Terms, the amount payable or deliverable on exercise 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 Payout Switch Election or the occurrence of an 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.

#### *Certain specific information may not be known at the beginning of an offer period*

In certain circumstances at the commencement of an offer period in respect of Securities but prior to the issue date of such Securities certain specific information (specifically the issue price, Gearing applied to the final payout, the Gearing Up applied to the final payout, (in the case of Autocall Securities, Autocall One Touch

Securities or Autocall Standard Securities) the FR Rate component of the final payout (which will be payable if certain conditions are met, as set out in the Payout Conditions), the AER Exit Rate used if an Automatic Early Expiration Event occurs, the Bonus Coupon component of the final payout (in the case of Vanilla Digital Securities), the Up Cap Percentage component of the final payout (in the case of Certi-Plus: Generic Securities, Certi-Plus: Generic Knock-in Securities and Certi-Plus: Generic Knock-out Securities), any Constant Percentage (being any of Constant Percentage, Constant Percentage 1, Constant Percentage 2, Constant Percentage 3 or Constant Percentage 4) component of the final payout (which will be payable if certain conditions are met, as set out in the Payout Conditions) and/or the Knock-in Level and/or Knock-out Level used to ascertain whether a Knock-in Event or Knock-out Event, as applicable, has occurred) may not be known. In these circumstances the Final Terms will specify in place of the relevant rate, level or percentage, as applicable, an indicative range of rates, levels or percentages. The actual rate, level or percentage, as applicable, applicable to the Securities will be selected by the Issuer from within the range and will be notified to investors 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 purchasers of Securities will be required to make their investment decision based on the indicative range rather than the actual rate, level or percentage, 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 the FR Rate and/or AER Exit Rate, prospective purchasers of Securities should, for the purposes of evaluating the risks and benefits of an investment in the Securities, assume that the actual FR Rate and/or AER Exit Rate, as applicable, which will apply to the Securities will be the lowest rate specified in the range and make their decision to invest in the Securities on that basis.

Where an indicative range is specified in the Final Terms in respect of the issue price, Gearing, Gearing Up, Bonus Coupon, Up Cap Percentage, any Constant Percentage, Knock-in Level and/or Knock-out Level, prospective purchasers of Securities should be aware that the actual rate, level or percentage, as applicable, selected from within the indicative range specified for Gearing, Gearing Up, Bonus Coupon, Up Cap Percentage, any Constant Percentage, Knock-in Level and/or Knock-out Level, as applicable, in respect of any Securities may have a negative impact on the final return on the Securities when compared with another rate, level or percentage, as applicable, within the indicative range.

*The Barrier Level, Bonus Level and/or Cap Level may not be known until after the Issue Date*

In certain circumstances in respect of ETS 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.

*The value of Parity and the Warrant@Work Exercise Price may not be known until after investors have made their decision to invest in the Warrants*

In respect of Warrant@Work Warrants, the value of Parity and the Warrant@Work Exercise Price will not be known until on or after the date specified in the applicable Final Terms as the Option Hedging Date (which may occur after investors have decided to invest in the Warrants). The Issuer will give notice of the value of

Parity and the Warrant@Work Exercise Price as soon as practicable following their determination but investors may be required to make their investment decision without knowing the value of Parity or the Warrant@Work Exercise Price.

#### *Risks Relating to Automatic Early Expiration of the Securities*

In the case of Securities that include an Automatic Early Expiration feature, the longer the time remaining until the scheduled expiration date of the Securities, the higher the probability that an Automatic Early Expiration 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 Expiration Event, the Holder may not be able to sell the Securities in the secondary market before the occurrence of an Automatic Early Expiration 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 Expiration Event may occur outside the normal trading hours of the exchange on which the Securities are listed. In this case, the Holder may not have an opportunity to sell the Securities in the secondary market before the Automatic Early Expiration Event occurs.

#### *Risk of Loss Following Automatic Early Expiration of the Securities*

In the case of Securities that include an Automatic Early Expiration feature, if the relevant level, value or price of the Underlying Reference(s) reaches the level that triggers the Automatic Early Expiration Event, the product will automatically be cancelled before the scheduled expiration date. Depending on the applicable payout the Holder may lose some or all of their investment in the Securities.

#### *Gap Risk*

Holders of Securities 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.

## **2. Certain Considerations Associated with Specific Types of Products**

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 exercise or cancellation. The calculation of the premium charged to Holders is based on the gap risk associated with the relevant level, value or price of the Underlying Reference(s). The Holder will not receive a refund of this premium if an Automatic Early Expiration Event occurs.

#### *Certain Risks Associated with ETS Products*

##### **(i) Risks associated with Yield Enhancement Products**

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 expiration features apply.

##### **(ii) Risks associated with Participation Products**

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 expiration features apply.

(iii) Risks associated with Leverage Products

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 expiration 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 exercise (in the case of European Style Warrants). The effect of leverage on the Securities may be either positive or negative.

(iv) Risks associated with Constant Leverage Products

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 exercise feature. Constant Leverage Products 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 SPS Products*

(i) Risks associated with Fixed Percentage Products

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 Reverse Convertible Products

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 event occurs.

(iii) Risks associated with Vanilla Products

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.

(iv) Risks associated with Asian Products

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, apply.

(v) Risks associated with Auto-callable Products

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. Auto-callable Products include automatic early exercise mechanisms. Depending on the applicable formula, if an automatic early expiration event occurs investors may be exposed to a partial loss of their investment.

(vi) Risks associated with Indexation Products

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 expiration features apply. Depending on the applicable formula, if an automatic early expiration event occurs investors may be exposed to a partial loss of their investment.

(vii) Risks associated with Ratchet Products

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).

(viii) Risks associated with Sum Products

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 formulae.

(ix) Risks associated with Option Max Products

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 formulae.

(x) Risks associated with Stellar Products

Investors may be exposed to a partial loss of their investment. The return on the Securities depends on the performance of a basket of Underlying References and is calculated based on the average returns of each Underlying Reference in the basket (which can be capped and/or floored).

(xi) Risks associated with Driver Products

Investors may be exposed to a partial loss of their investment. The return on the Securities depends on the performance of a basket of Underlying References. The return is determined by reference to the average return of the basket, where the performance of one or more of the best performing Underlying Reference(s) is set at a fixed level.

*Risks Associated with FI Products*

(i) Risks associated with Vanilla Products

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 Digital Products

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 Inflation Products

Inflation Products are capital protected. The return on the Securities depends on the performance of the Underlying Reference(s).

### **3. Product Specific Risk Factors**

*Certain Considerations Associated with Index Securities*

An investment in Index Securities will entail significant risks not associated with an investment in a conventional debt security. On exercise of Index Securities, Holders will receive an amount (if any) determined by reference to the value of the underlying index/indices. Such underlying index may be a well

known and widely published index or an index which may not be widely published or available. The index may reference, *inter alia*, equities, bonds, currency exchange rates, or other securities or it may be a property index referencing certain property price data which will be subject to market price fluctuations, or reference a number of different assets or indices. A property index may include valuations only and not actual transactions and the property data sources used to compile the index may be subject to change, which may adversely affect the return on the Securities.

Index Securities linked to a custom index are linked to a proprietary index which may be sponsored and/or calculated by BNP Paribas or one of its Affiliates. Pursuant to the operational rules of the relevant custom index, the custom 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 custom index is not available for any reason on a relevant day of calculation (i.e. either because it is a non-scheduled trading day in respect of that index component or that index component is subject to a market disruption or otherwise), then the Calculation Agent of the custom index may, but is not obliged to, calculate the level of the custom index on that day by taking a value for the affected index component from the first preceding day on which a level for such affected index component was available.

For the avoidance of doubt, the relevant Issuer and/or its Affiliates may not be able to trade on and hedge its obligations in respect of the index (including custom indices) 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.

#### *Certain Considerations Associated with Share Securities*

An investment in Share Securities will entail significant risks not associated with an investment in a conventional debt security. On exercise of Share Securities, Holders 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.

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 Manager will make any investigation or enquiry in connection with such offering with respect to any information concerning any such issuer of shares contained in such Final Terms or in the documents from which such information was extracted. Consequently, there can be no assurance that all events occurring prior to the relevant issue date (including events that would affect the accuracy or completeness of the publicly available information described in this paragraph or in any relevant Final Terms) that would affect the trading price of the share, 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, Holders will not have voting rights or rights to receive dividends or distributions or any other rights with respect to the relevant shares to which such Securities relate.

#### *Certain Considerations Associated with ETI Securities*

An investment in ETI Securities will entail significant risks not associated with an investment in a conventional debt security. On exercise of ETI Securities, Holders 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.

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 Manager 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 Holders 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, Holders 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 exercise of Debt Securities, Holders 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.

#### *Certain Considerations Associated with Commodity Securities*

An investment in Commodity Securities will entail significant risks not associated with an investment in a conventional debt security. On exercise of Commodity Securities, Holders will receive an amount (if any) determined by reference to the value of the commodity, commodity index, commodities and/or commodity indices. Accordingly, an investment in Commodity Securities may bear similar market risks to a direct commodity investment, and investors should take advice accordingly.

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 (such as a commodity index composed by the relevant Issuer) 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, which may be proprietary. Commodity Securities may be linked to a commodity index which may be sponsored and/or calculated by BNP Paribas or one of its Affiliates. Pursuant to the operational rules of the relevant commodity index, the commodity index is scheduled to be calculated on a periodic basis (for example on each weekday). In the event that one of the levels, values or prices of a component included in the commodity index is not available for any reason on a relevant day of calculation including, without limitation, (a) where it is not a business day in respect of that commodity index component or (b) that commodity index component is subject to a market disruption event, then the calculation agent of the commodity index may, but is not obliged to, calculate the level of the commodity index for the relevant day by taking a value for the affected index component on the first day following the end of a specified maximum days of disruption based on the price at which it is able to sell or otherwise realise any hedge position. 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.

*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.

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 the Exchange-traded Contract (as defined in Index Security Condition 9.1, 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 the relevant Issuer may cancel the Warrants by giving notice to Holders in accordance with Security Condition 10. If the Warrants are so cancelled, the relevant Issuer will, unless (in the case of Index Securities) Market Value or Highest Value are specified as applicable in the applicable Final Terms, pay an amount to each Holder in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit being cancelled at an amount equal to the fair market value of a Warrant or a Unit, as the case may be, taking into account the Non-Commencement or Discontinuance of the Exchange-traded Contract, less, except in the case of Italian Listed Securities or if 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, payment being made in such manner as shall be notified to the Holders in accordance with Security Condition 10;
- (ii) in the case of Index Securities, if Highest Value is specified as being applicable in the applicable Final Terms, the relevant Issuer will pay an amount to each Holder in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit, at an amount equal to the greater of the fair market value of such Warrant or Unit, as the case may be, (notwithstanding any illegality (if applicable) and taking into account the 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 date of cancellation notified to the Holders until the Exercise Date or the Expiration Date, as the case may be, of the Warrants), of any costs (including but not limited to any structuring costs) paid by Holders to the Issuer in the Exercise Price of the Warrants, such amount to be paid to the Holders on the date notified to the Holders in the notice of cancellation;
- (iii) in the case of Index Securities, if Market Value is specified as being applicable in the applicable Final Terms, the relevant Issuer will pay an amount to each Holder in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit, at an amount equal to the fair market value of a Security or Unit, as the case may be, (notwithstanding the illegality (if applicable) and taking into account the 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 reimbursement by the Issuer, pro rata (calculated from the date of cancellation notified to the Holders until the Exercise Date or the Expiration Date, as the case may be, of the Warrants), of any costs (including but not limited to any structuring costs) paid by Holders to the Issuer in the Exercise Price of the Warrants, such an amount to be paid to the Holders on the date notified in the notice of cancellation; or
- (iv) 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 purchasers 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 exercise of Inflation Index Securities, Holders will receive an amount (if any) determined 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 exercise of Currency Securities, Holders will receive an amount (if any) determined by reference to the value of the currency/currencies and/or the physical delivery of a given amount of a currency or currencies. Accordingly, an investment in Currency Securities may bear similar market risks to a direct currency investment, and investors should take advice accordingly.

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

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

#### *Certain Considerations Associated with Fund Securities*

An investment in Fund Securities will entail significant risks not associated with an investment in a conventional debt security. On exercise of Fund Securities, Holders will receive an amount (if any) determined by reference to the value of the fund shares, the level of a fund index 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. The price of units or

shares in a fund or the level of the fund index 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 Manager 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 or the level of the fund index 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 or the level of the fund index and therefore the trading price of the Securities. Fund Securities do not provide Holders 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, Holders 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 or the relevant fund index 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 exercise of Futures Securities, Holders 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.

#### *Additional Risk Factors for Credit Securities*

The Issuers may issue Securities ("**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 Securities in respect of which the relevant Issuer has effectively sold protection on one or more Reference Entities to the Holders and payments on such Warrants will depend on the occurrence of a Credit Event with respect to such Reference Entities

The price of such Securities may be volatile and will be affected by, amongst other things, the time remaining to the expiration 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).

#### *Holders are exposed to risk on Reference Entities*

The holders of Credit Securities are exposed to the risk that an Event Determination Date does not occur during the term of the Credit Securities, in which case, the Warrants may expire without payment. Any

deterioration in the creditworthiness of a Reference Entity will increase the likelihood of a Credit Security being capable of being exercised. However, any improvement in the creditworthiness of a Reference Entity may decrease the likelihood of a Credit Security being exercised and as a result such improvements may adversely affect the value of such Warrant.

*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, in its own interests and those of its Affiliates, and not in the interests of investors in the Securities. The exercise of such rights in such manner, for example by the selection of the eligible obligations of the Reference Entity having the highest possible market value for valuation, may result in an lower amount payable to the holder of the Credit Securities. The exercise of such discretion by the Issuer or Calculation Agent could adversely affect the value of the amount in cash, if any, which will be paid in respect of the Credit Securities, if any.

The determination by the Calculation Agent of any amount or of any state of affairs, circumstance, event or other matter, or the formation of any opinion or the exercise of any discretion required or permitted to be determined, formed or exercised by the Calculation Agent shall (in the absence of manifest error) be final and binding on the Holders. In performing its duties pursuant to the Securities 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 good faith and in a commercially reasonable manner and is under no obligation to act in the interests of the Holders, nor will it be liable to account for any profit or other benefit which may accrue to it as a result of such determinations. The Calculation Agent is not bound to follow, or act in accordance with, any determination of the relevant Credit Derivatives Determinations Committee.

*Actions of Reference Entities 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. Holders of the Credit Securities should be aware that the Reference Entities to which the value of the Securities is exposed, and the terms of such exposure, may change over the term of the Securities.

*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 Holders*

Where the Credit Securities are redeemed 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 Holders, and such participation may have a material adverse effect on the

outcome of the relevant Auction and/or on the Credit Securities. Holders 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 or higher than the amount which would have been determined based on quotations sought from third party dealers, thereby reducing the amount payable to Holders.

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

If the Securities are cash settled, then, following the occurrence of a Credit Event, the Calculation Agent will be required to seek quotations in respect of selected obligations of the affected Reference Entity. Quotations obtained will be "offer-side" - that is, they will take account of a bid-offer spread changed 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.

The Issuer as seller of protection in respect of the Warrants has discretion to choose the portfolio of obligations and/or assets to be valued following a Credit Event in respect of a Reference Entity, and it is likely that the portfolio of obligations and/or assets selected will be obligations of the Reference Entity and/or assets with the highest market value that are permitted to be selected pursuant to the terms of the Warrants. This could result in a higher recovery value and hence a lower settlement amount for investors in the Warrants.

*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 Holders*" and "*Use of Cash Settlement may adversely affect returns to the Holder*" 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 "*Rights associated with Credit Derivatives Determinations Committees*" for risk factors relating to valuation in accordance with CDDC methodology.

*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 Securities 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 Securities 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, Holders of the Credit Securities may not be able to verify the occurrence of such Credit Event.

#### *Conflicts of Interest – Credit Derivatives Determinations Committees*

The relevant Issuer or any of its Affiliates may act as a member of a Credit Derivatives Determinations Committees. In such case, the interests of the relevant Issuer or its Affiliates may be opposed to the interests of Holders and they will be entitled to and will act without regard to the interests of Holders.

#### *Risks Associated with Credit Derivatives Determinations Committees*

The institutions of the Credit Derivatives Determinations Committee owe no duty to the Holders and have the ability to make determinations that may materially affect the Holders, such as the occurrence of a Credit Event or a Succession Event. A Credit Derivatives Determinations Committee may be able to make determinations without action or knowledge of the Holders.

Holders may have no role in the composition of any Credit Derivatives Determinations Committee. Separate criteria apply with respect to the selection of dealer and non-dealer institutions to serve on a Credit Derivatives Determinations Committee and the Holders 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 Holders 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 Securities, will be subject to the determinations made by such selected institutions in accordance with the Rules.

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

Holders should also be aware that institutions serving on 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 Holders.

Holders 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 Holders of such information (other than as expressly provided in respect of the Securities). Failure by the Holders to be aware of information relating to deliberations of a Credit Derivatives

Determinations Committee will have no effect under the Securities and Holders are solely responsible for obtaining any such information.

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

#### *Risks Relating to Restructuring Credit Events*

Where the Credit Derivatives Determinations Committee determines that a Restructuring Credit Event has occurred in relation to a Reference Entity and the Calculation Agent determines that an Auction will be or has been held in relation to Deliverable Obligations which are eligible as Valuation Obligations under the terms of the Warrants, the Warrants will be exercised by delivery of a Credit Event Notice by the Calculation Agent (without notice from the Holder as buyer of protection). This may result in a lower return on the Warrants than if such Warrants had not been automatically exercised in such circumstances. Conversely, where no such Deliverable Obligations exist, the Warrants will not be exercised and will expire worthless.

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 Holders.

#### *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 Holders or prior notice to Holders. 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.

#### *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 exercise of Hybrid Securities, Holders will receive an amount (if any) determined by reference to the value of a number of different Underlying References.

#### **4. 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, including Hedge Funds, Mutual Funds or Private Equity Funds, or a Fund Index comprised of such Funds, the relevant Securities reflect the performance of such fund(s).

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 of securities to financial institutions, 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 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 Holders on cancellation of the Fund Securities. 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.

The amount payable on Fund Securities will be dependent on the performance of the relevant Fund(s) or Fund Index(ices) 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) or Fund Index(ices). 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.

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.

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.

For all the above reasons, investing directly or indirectly in Funds or Fund Indices is generally considered to be risky. If the underlying Fund or Fund Index 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 exercise 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 purchasers are expected to conduct their own enquiries and be satisfied that there are additional risks associated with investments linked to the performance of underlying assets located in these markets.

#### *Exchange control risks*

Potential purchasers 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.

#### *Certain Considerations Associated with certain Dynamic Securities*

Each Issuer may issue dynamic Securities ("**Dynamic Securities**"). Dynamic Securities may be linked to a portfolio or strategy often comprising assets with a greater potential for return and consequently greater risk (e.g. a Hedge Fund) and assets with a lower return and consequently lesser risk (e.g. a zero coupon debt security issued by an issuer with a high credit rating). The portfolio or strategy may include leverage on certain specified terms. The portfolio or strategy is dynamic and may rebalance between the relevant assets based upon a specified allocation methodology. The value of Dynamic Securities is determined by reference to the underlying portfolio or strategy. This portfolio or strategy may change during the term of the Securities, which may affect the value of, and any return on, the Securities.

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

## **5. Additional Risks Associated with Secured Securities**

BNPP B.V. may issue Secured Securities.

#### *Shortfall on realisation of Collateral Pool*

Where BNPP B.V. is the Issuer of a series of Securities, the Holders are exposed to credit risk on BNPP B.V. and BNPP as Guarantor. In order to mitigate against such credit risk which may apply where the Securities are not Secured Securities, BNPP B.V. may issue Secured Securities where security will be provided in respect of such Secured Securities although the security provided for a series of Secured Securities is limited to the Collateral Assets in the Collateral Pool applicable to such series. Such Collateral Pool may be shared by a number of series of Secured Securities where so specified in the applicable Final Terms. The value realised for the Collateral Assets in the relevant Collateral Pool may be insufficient to pay the Security Termination Amount in respect of the relevant series of Secured Securities, in which case a "Shortfall" will be deemed to

occur. In the event of the insolvency of BNPP B.V. and the Guarantor, investors may lose all or a substantial portion of their investment as the Guarantor may not be in a position to pay all or part of any Shortfall.

*Adjustments to Collateral Pool where the Collateral Assets are securities*

Where the Collateral Assets for a Collateral Pool are comprised of securities, BNP Paribas Arbitrage S.N.C. (or such other party specified in the applicable Final Terms) (the "**Collateral Calculation Agent**") will calculate the marked to market value of the Secured Securities and the marked to market value of the Collateral Assets in a Collateral Pool (taking into account all factors which the Collateral Calculation Agent deems relevant) on such periodic basis as is specified in the applicable Final Terms in respect of the relevant Collateral Pool. Unless the applicable Final Terms specify that there will be no adjustments to the amount of Collateral Assets or that there are to be no such valuation dates, in the event that on the date of valuation (the "**Collateral Valuation Date**") there is a difference between (a) the marked to market value of the Collateral Assets in a Collateral Pool (the "**Collateral Value**") and (b) the sum of, in respect of each series of Secured Securities secured by the relevant Collateral Pool, but excluding, in each case, any Secured Securities that are beneficially owned by BNPP B.V. or any of its Affiliates, the marked to market value of such Secured Securities (where MTM Collateralisation is applicable to a series of Secured Securities) or a part of the marked to market value of such Secured Securities (where Partial MTM Collateralisation is applicable to a series of Secured Securities) (such sum, the "**Securities Value**"), BNPP B.V. will procure that further assets are delivered to the Collateral Account (or substitute existing Collateral Assets with Collateral Assets with a greater value) if the value of the Collateral Assets is less than the Securities Value or will be entitled to remove Collateral Assets from the Collateral Account if the Collateral Value is in excess of the Securities Value prior to such adjustment. Following any such adjustment in respect of Collateral Assets on any Collateral Valuation Date, the Collateral Value is expected to be equal to the Securities Value prior to such adjustment. Investors, nevertheless, will be exposed to the difference between the Securities Value of the Secured Securities and the marked to market value of the Collateral Assets prior to any such adjustment. In addition, even after any such adjustment, where the Security Termination Amount is specified in the relevant Final Terms as being "Security Value Realisation Proceeds", Holders will be exposed to the difference between the Securities Value and the Realisation Amount; which difference may result due to any delay in realising the relevant Collateral Assets, fluctuations in the value of the Collateral Assets and/or the costs and expenses incurred in, or relating to, any sale of relevant Collateral Assets.

When determining the Securities Value, the Collateral Calculation Agent shall take no account of the financial condition of (a) BNPP B.V. which shall be presumed to be able to perform fully its obligations in respect of the Secured Securities or (b) the Guarantor which shall be presumed to be able to perform fully its obligations in respect of the Guarantee.

In the event that BNPP B.V. is required to deliver additional Collateral Assets or alternative Collateral Assets, BNPP B.V. shall do so as soon as practicable following the relevant Collateral Valuation Date. There may be a delay between the Collateral Valuation Date and the date on which BNPP B.V. is able to deliver such additional or alternative Collateral Assets and investors will be exposed to the difference between the fair market value (or part thereof, if applicable) of the Secured Securities and the fair market value of the Collateral Assets during such period.

*Adjustments to Collateral Pool where the Collateral Asset is a cash deposit*

Where the Collateral Asset for a Collateral Pool is comprised of a cash deposit, the Collateral Calculation Agent will calculate the marked to market value of the Secured Securities (excluding any Secured Securities that are beneficially owned by BNPP B.V. or any of its Affiliates) (taking into account all factors which the Collateral Calculation Agent deems relevant) on such periodic basis as is specified in the applicable Final Terms. Any cash deposit will not be valued on a Collateral Valuation Date. Unless the applicable Final Terms

specify that there will be no adjustments to the amount of Collateral Assets or that there are no Collateral Valuation Dates, in the event that on a Collateral Valuation Date, there is a difference between the amount of cash standing to the credit of the Collateral Account (the "**Deposit Amount**") and the relevant Securities Value, BNPP B.V. will procure that further cash is deposited into the relevant Collateral Account if the Deposit Amount is less than the Securities Value or will be entitled to withdraw cash from the Collateral Account if the Deposit Amount is in excess of the Securities Value prior to such adjustment. Following any such adjustment to the Deposit Amount on any Collateral Valuation Date, the Deposit Amount is expected to be equal to the Securities Value. Investors, nevertheless, will be exposed to the difference between the marked to market value (or part thereof) of the Secured Securities and the Deposit Amount prior to such adjustment.

When determining the Securities Value, the Collateral Calculation Agent shall take no account of the financial condition of (a) BNPP B.V. which shall be presumed to be able to perform fully its obligations in respect of the Secured Securities or (b) the Guarantor which shall be presumed to be able to perform fully its obligations in respect of the relevant Guarantee.

#### *No Shortfall*

Where "Security Value Realisation Proceeds", is specified in the applicable Final Terms as the applicable Security Termination Amount and the amount paid to a Holder is equal to such Security Termination Amount, no Shortfall will be calculated in respect of such Secured Securities and no other amount will be payable by BNPP B.V. in respect of such Secured Securities.

#### *No collateralisation in respect of Secured Securities held by BNPP B.V. or any of its Affiliates*

There will be no collateralisation in respect of any Secured Securities beneficially owned by BNPP B.V. or any of its Affiliates. Following an Enforcement Event, BNPP B.V. or the Affiliate of BNPP B.V. that holds the Secured Securities will renounce and waive all rights (including as to payment) in respect of such Secured Securities and shall submit such Secured Securities for cancellation free of payment. During the term of the relevant Secured Securities, where BNPP B.V. or any of its Affiliates is the beneficial owner of Secured Securities, it will not provide or hold any Collateral Assets in respect of such Secured Securities.

#### *No adjustments to a Collateral Pool*

In respect of certain series of Securities, the Final Terms may specify that there will be no Collateral Calculation Agent and/or Collateral Valuation Dates, in which case there will be no adjustments to the Collateral Assets in the Collateral Pool during the life of the relevant Secured Securities. In this case, if the security is enforced, the proceeds of enforcement that a Holder will receive may not be equal to the market value of the Secured Security which it holds.

#### *Potential conflicts of interest between the Investors and the Collateral Calculation Agent*

As the Collateral Calculation Agent is an Affiliate of the Issuers and the Guarantors, potential conflicts of interest may arise between the Collateral Calculation Agent and the holders of the Secured Securities, including with respect to the making of certain determinations and the exercise of certain discretions (including as to the value of the Secured Securities and the Collateral Assets) in accordance with the terms of the Amended and Restated Agency Agreement. The Collateral Calculation Agent is obliged to carry out its duties and functions as Collateral Calculation Agent in good faith and using its reasonable judgment. Furthermore, the Collateral Calculation Agent does not and will not act as a fiduciary or as an advisor to the Holders in respect of its duties as Collateral Calculation Agent.

### *Collateral management and Collateral Agent*

BNPP B.V. may appoint one or more agents to perform custodial and administrative functions relating to the Collateral Assets (each a "**Collateral Custodian**"). It is expected that the initial Collateral Custodian will be BNP Paribas Securities Services, Luxembourg Branch. A failure by any agent to perform its duties and obligations with respect to the Collateral Assets, or the occurrence of any adverse event in relation to those entities, may adversely affect the availability of the Collateral Assets, and consequently adversely affect the realisation of the Collateral Assets. BNPP B.V. will also appoint an agent (the "**Collateral Agent**") which will enforce the security under the Pledge Agreements upon the occurrence of an Enforcement Event and liquidate or realise the Collateral Assets in each Collateral Pool or appoint an agent to do so on its behalf. It is expected that the initial Collateral Agent will be BNP Paribas Trust Corporation UK Limited. A failure by the Collateral Agent to perform its obligations with respect to the Collateral Assets will adversely affect the realisation of the Collateral Assets. Furthermore, the Collateral Agent does not and will not act as a fiduciary or as an advisor to the Holders in respect of its duties as Collateral Agent and does not act as a trustee for the Holders. No trustee will be appointed in respect of the Secured Securities.

### *Fluctuations in the value of the Collateral Assets*

The Collateral Assets may be subject to fluctuations in value. Investors should note that the Collateral Assets may suffer a fall in value between the time at which the Pledge Agreements become enforceable and the time at which the Collateral Assets are realised in full. In extraordinary circumstances, the Collateral Assets available at the time at which the Pledge Agreements become enforceable could completely lose their value by the time of the realisation.

### *"Haircut" applied to Collateral Assets*

A haircut is the percentage by which the market value of a Collateral Asset is discounted and is designed to mitigate potential depreciation in value of the relevant Collateral Asset in the period between the last valuation of the Collateral Asset and the realisation of such Collateral Asset, such period being known as the 'cure period' or 'holding period'. The haircut should account for the expected volatility of an instrument and discount its value by an amount that reflects the expected maximum price movement within the cure or holding period. The length of this period will be subjectively determined by the Collateral Calculation Agent and reflects the likely length of time that a Collateral Asset would be held before realisation occurs, taking into consideration factors such as contractual timings, the time required for internal decision-making and any legally-mandated stay period. The Final Terms will specify whether or not a haircut applies to a Collateral Pool but will not provide any further information as to the level of any haircut applied to the Collateral Assets in any Collateral Pool. Since the volatility of the value of a Collateral Asset may change through time, haircuts applied to the Collateral Assets may become outdated and may not provide suitable protection against a Shortfall.

### *Lack of diversification of the Collateral Assets*

The selection of the Collateral Assets will be at the discretion of BNPP B.V provided that such Collateral Assets must be Eligible Collateral. The Collateral Assets in a Collateral Pool may (including where Limited Diversification is specified as being applicable in the applicable Final Terms) be limited to one or a few assets or the same or a small number of types of asset between which there is a correlation in respect of value or risk or such assets may be issued by the same issuer or a small number of issuers, or by the same or a small number of types of issuer which may operate in similar or related business sectors. Such low diversification may increase the risk that the proceeds of realisation of the Collateral Assets may be less than the sums due to the relevant Holders under the relevant Secured Securities as Holders may be exposed potentially to greater market risk on particular Collateral Assets or types of Collateral Asset and/or particular issuers or types of issuer of such assets and the amount recovered in respect of the Collateral Assets on their sale will be



dependent on the then current market value of a smaller number or type of Collateral Assets and/or Collateral Assets issued by a smaller number of issuers or type of issuers.

#### *Cross default*

Following the occurrence of an Enforcement Event in respect of any Collateral Pool, the Collateral Agent will realise the Collateral Assets for all Collateral Pools or will cause such Collateral Assets to be realised. Where the Collateral Assets are securities, liquidation of all the Collateral Assets simultaneously may increase the risk that the proceeds of realisation of the Collateral Assets may be less than the sums due to the relevant Holders under the relevant Secured Securities because liquidation of all the Collateral Assets in the Collateral Pools at the same time could potentially lead to a reduction in the market value of some or all of the Collateral Assets.

#### *Risk of a delay in the realisation of the Collateral Assets in the event of the insolvency of BNPP B.V.*

In the event of the insolvency of BNPP B.V., the realisation of the Collateral Assets may be delayed either by the insolvency administrator appointed in relation to BNPP B.V. or by measures ordered by a competent court. Such delay could adversely affect the position of the Holders in the event of depreciation of the value of the Collateral Assets during such delay. In addition, as the Collateral Agent and BNPP B.V. are part of the Group, in the event of the insolvency of BNPP B.V., it is also possible that the Collateral Agent may be insolvent. Such circumstances may lead to an inability to realise the Collateral Assets and/or a delay in the realisation of the Collateral Assets but the Collateral Assets will not form part of the Collateral Agent's estate. The Agency Agreement will contain provisions permitting the replacement of the Collateral Agent in certain circumstances, including upon the insolvency of the Collateral Agent.

#### *Illiquid Collateral Assets*

The Collateral Assets in some Collateral Pools may comprise assets which are not admitted to any public trading market and may therefore be illiquid and not readily realisable. Where there is limited liquidity in the secondary market relating to Collateral Assets, the Collateral Agent (or its agent) may not be able to sell such Collateral Assets to a third party and distribute the net proceeds to Holders. As a result, Holders may not receive payments in respect of their Secured Securities until such Collateral Assets mature or are redeemed in accordance with their terms. The maturity date of such Collateral Assets may be after the date of cancellation of the relevant Secured Securities.

#### *Collateral Pools securing multiple Series of Securities*

A number of series of Secured Securities may be secured by the same Collateral Pool. Notwithstanding the fact that the value of Collateral Assets in a Collateral Pool may be determined by reference to the market value or part of the market value of the relevant Secured Securities, it is possible that, where more than one series of Secured Securities is secured by the same Collateral Pool, the value of the Collateral Assets in a Collateral Pool may not reflect the relevant Securities Value of a particular series of Secured Securities (or the aggregate Securities Value of the series of Secured Securities secured by the relevant Collateral Pool) as accurately as if the Collateral Assets in a Collateral Pool were held in respect of a single series of Secured Securities only.

#### *Failure to comply with collateral obligations*

If a number of series of Secured Securities are secured by the same Collateral Pool and if BNPP B.V. were to fail to comply with its obligations (where applicable) to make adjustments to the Collateral Assets in a Collateral Pool following a Collateral Valuation Date, Holders of Secured Securities may be exposed to fluctuations in the marked to market value of other series of Secured Securities which are secured by the same Collateral Pool where MTM Collateralisation or Partial MTM Collateralisation is applicable to such other series of Secured Securities. In such circumstances, if the marked to market value of such other series of

Secured Securities to which MTM Collateralisation or Partial MTM Collateralisation applies increases (such Secured Securities, "**Increased MTM Securities**") prior to the Collateral Valuation Date immediately preceding the occurrence of an Enforcement Event and additional Collateral Assets (or alternative Collateral Assets with a higher value) have not been delivered to the relevant Collateral Account by BNPP B.V., a lower Aggregate Collateral Proceeds Share upon enforcement of the relevant Pledge Agreement will be determined in respect of series of Secured Securities whose marked to market value has not increased to the same extent, (such Secured Securities, "**Affected Securities**"), than would have been the case if such Affected Securities were not secured by the same Collateral Pool as the Increased MTM Securities with the result that the proceeds of realisation of the Collateral Assets available to be distributed to the Holders of Affected Securities will be reduced.

#### *Nature of security*

The security granted by BNPP B.V. under the Pledge Agreements is a security interest over the accounts in which the Collateral Assets are held and does not extend to any interest or distributions paid on such Collateral Assets (to the extent such amounts are not held in the relevant Collateral Accounts). No security interest will be granted by BNPP B.V. over any of its rights under any agreement (including, without limitation, any swap agreement or repurchase agreement) under which it acquires any Collateral Assets or its rights against the Collateral Custodian. This means that the Collateral Agent will have no ability to compel BNPP B.V. to enforce its rights (or to enforce such rights on behalf of BNPP B.V.) against a Repo Counterparty or Swap Counterparty, other counterparty or the Collateral Custodian whereas, if the Collateral Agent did have such rights, this could lead potentially to additional sums being available to pay amounts due in respect of the Secured Securities.

In addition, or as an alternative, to a Luxembourg law governed pledge agreement, the security interest granted by BNPP B.V. in respect of the Collateral Assets in a Collateral Pool may take a different form and may be governed by a different governing law, all as specified in the applicable Final Terms. References in these Risk Factors to a "Pledge Agreement" shall be construed accordingly as a reference to the applicable security arrangement entered into by BNPP B.V. in respect of a Collateral Pool, unless the context requires otherwise.

#### *Enforcement of the security*

Following delivery of a Default Notification by a Holder in respect of the occurrence of an Event of Default, the Collateral Agent is only obliged to deliver an Enforcement Notice and enforce the Pledges if BNPP B.V. has not delivered a notice prior to the end of the Dispute Period specifying that it reasonably believes that the Event(s) of Default referred to in the relevant Default Notification have not occurred, together with reasonable evidence supporting BNPP B.V.'s belief. Although BNPP B.V. must have a reasonable belief that no Event of Default has occurred and provide reasonable evidence supporting such belief, any delivery of such a notice by BNPP B.V. may mean that the security in respect of the Secured Securities is not enforced or that there will be a delay between the service of the Default Notification and the enforcement of the Pledge(s). The Collateral Agent is not obliged to deliver an Enforcement Notice or enforce the Pledge(s) or take any other action if it reasonably believes that it would not be able to recover its costs or other liabilities which would be incurred in connection with such action from the relevant Collateral Assets or otherwise or would experience an unreasonable delay in doing so.

#### *Early cancellation at the option of BNPP B.V. upon an Increased Cost of Collateral Assets or Collateral Disruption*

In addition to the risks relating to Additional Disruption Events described in this Base Prospectus, further Additional Disruption Events may apply to Secured Securities which may increase the possibility of the Secured Securities being redeemed or cancelled early. These further Additional Disruption Events are Increased Cost of Collateral Assets and Collateral Disruption. Unless such further Additional Disruption

Events are specified as not applicable in the applicable Final Terms, in the event that BNPP B.V. and/or any of its Affiliates (i) would incur materially increased costs (as compared with the circumstances existing on the Trade Date relating to the relevant Secured Securities) in acquiring, borrowing or disposing of Collateral Assets or establishing, maintaining or unwinding any transaction entered into by BNPP B.V. and/or any of its Affiliates relating to the Collateral Assets or (ii) are unable, after using commercially reasonable efforts, to (a) acquire, establish, unwind or dispose of any transaction(s) or assets or any futures or option contracts it deems necessary to obtain Collateral Assets (b) acquire or substitute Collateral Assets (including without limitation as a result of adverse market conditions or a lack of liquidity in the market) or (c) freely realise, recover, receive, or transfer the proceeds of any such transaction(s), assets(s) or futures or option contract(s) or any relevant hedge positions relating to the Collateral Assets (including without limitation as a result of adverse market conditions or a lack of liquidity in the market), BNPP B.V. may redeem or cancel, as applicable, all of the relevant Secured Securities.

*Early cancellation at the option of the Issuer upon a Collateral Asset Default*

Where Collateral Asset Default is specified to be an Optional Additional Disruption Event in respect of a series of Secured Securities, Holders of such Secured Securities will be exposed to the credit risk of the Collateral Assets in the relevant Collateral Pool as well as the credit risk of BNPP B.V. and the Guarantor. Where such Optional Additional Disruption Event occurs and the Collateral Assets become due and payable prior to their stated maturity date other than by reason of default in payment, Holders will receive a share of the redemption proceeds received by BNPP B.V. in respect of such Collateral Assets in satisfaction of BNPP B.V.'s obligations in respect of the relevant Secured Securities. If the Collateral Assets become due and payable prior to their stated maturity date by reason of default in payment, Holders will receive a *pro rata* share of the proceeds of sale of the Collateral Assets (after the payment of costs and expenses incurred in or relating to such sale) or, if so specified in the applicable Final Terms, Collateral Assets will be delivered to the Holders in satisfaction of BNPP B.V.'s obligations in respect of the relevant Secured Securities.

Investors should conduct their own investigation and analysis with respect to the creditworthiness of the Collateral Assets Issuer and the Collateral Assets and the likelihood of the occurrence of a Collateral Asset Default.

None of BNPP B.V., the Collateral Calculation Agent, the Collateral Agent or the Calculation Agent or any of their respective Affiliates has any obligation to keep investors informed as to any matters with respect to the Collateral Assets, including whether or not circumstances exist that give rise to the possibility of the occurrence of a Collateral Asset Default with respect to the Collateral Assets.

Prospective investors should note that there is no requirement for BNPP B.V. to give information which is generally publicly available in relation to the occurrence of a Collateral Asset Default. If a Collateral Asset Default occurs in respect of the relevant Collateral Assets which is not public, Holders of the Secured Securities may not be able to verify the occurrence of such Collateral Asset Default.

*Early cancellation at the option of BNPP B.V. upon a Collateral Asset Issuer Default*

Where Collateral Asset Issuer Default is specified to be an Optional Additional Disruption Event in respect of a series of Secured Securities, Holders of such Secured Securities will be exposed to the credit risk of the Collateral Asset Issuer in the relevant Collateral Pool as well as the credit risk of BNPP B.V. and the Guarantor. Where such Optional Additional Disruption Event occurs and the Collateral Assets become due and payable prior to their stated maturity date other than by reason of default in payment, Holders will receive a share of the redemption proceeds received by BNPP B.V. in respect of such Collateral Assets in satisfaction of BNPP B.V.'s obligations in respect of the relevant Secured Securities. If the Collateral Assets become due and payable prior to their stated maturity date by reason of default in payment, Holders will receive a *pro rata* share of the proceeds of sale of the Collateral Assets (after the payment of costs and expenses incurred in or

relating to such sale) or, if so specified in the applicable Final Terms, Collateral Assets will be delivered to the Holders in satisfaction of BNPP B.V.'s obligations in respect of the relevant Secured Securities.

Investors should conduct their own investigation and analysis with respect to the creditworthiness of the Collateral Asset Issuer and the Collateral Assets and the likelihood of the occurrence of a Collateral Asset Issuer Default.

None of BNPP B.V., the Collateral Calculation Agent, the Collateral Agent or the Calculation Agent or any of their respective Affiliates has any obligation to keep investors informed as to any matters with respect to the Collateral Asset Issuer or the Collateral Assets, including whether or not circumstances exist that give rise to the possibility of the occurrence of a Collateral Asset Issuer Default.

Prospective investors should note that there is no requirement for BNPP B.V. to give information which is generally publicly available in relation to the occurrence of a Collateral Asset Issuer Default. If a Collateral Asset Issuer Default occurs which is not public, Holders of the Secured Securities may not be able to verify the occurrence of such Collateral Asset Issuer Default.

#### *Subordination of Holders to payment of expenses and other payments*

On enforcement of the Pledge Agreements, the rights of the Holders to be paid amounts from the proceeds of such enforcement and realisation of the Collateral Assets may be subordinate to (i) any fees and expenses incurred in such enforcement and realisation of the Collateral Assets and (ii) prior rights of the parties (if any) identified in the applicable Priority of Payments or in the applicable Collateral Security Conditions (which may, without limitation, include the Swap Counterparty and/or Repo Counterparty) to be paid amounts due from BNPP B.V. in priority to the Holders from the proceeds of such enforcement and realisation of the Collateral Assets. Such amounts which may be paid in priority may include, without limitation, termination payments due from BNPP B.V. to the Repo Counterparty under any Repurchase Agreement entered into with respect to such series of Secured Securities and/or termination payments due from BNPP B.V. to the Swap Counterparty under any Swap Agreement entered into with respect to such series of Secured Securities. The degree of subordination of the rights of the Holders may have an impact on the amount received by a Holder in the event of enforcement of the security.

#### *Collateral Settlement Disruption Event*

When Physical Delivery of Collateral is applicable, if a Collateral Settlement Disruption Event occurs or exists on the Collateral Delivery Date, settlement will be postponed until the next Business Day on which there is no Collateral Settlement Disruption Event. If such Collateral Settlement Disruption Event continues for a period of not more than eight Business Days after the original Collateral Delivery Date, the Collateral Agent will procure the sale of such Collateral Assets in lieu of delivery of the Entitlement. The amount received by a Holder following such sale of Collateral Assets may be lower than the amount which a Holder would have received if the relevant Collateral Assets had been delivered to it and the Holder held the relevant Collateral Assets to the maturity date of such assets or sold such assets at a different point in time.

#### *Scope of guarantee*

The guarantee in respect of Secured Securities provided by BNPP is in respect of BNPP B.V.'s obligation to pay a Shortfall only and does not extend to any obligation of BNPP B.V. to deliver any securities or pay any other amount and is therefore more limited in scope than the guarantee provided by BNPP in respect of Securities which are not Secured Securities.

## **6. Additional Factors Relating to Disruption and Adjustments**

### *Additional Disruption Events and Optional Additional Disruption Events*

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) or cancellation. In the case of Index Securities linked to a Custom Index the occurrence of an Additional Disruption Event or Optional Additional Disruption Event specified in the applicable Final Terms may lead to the selection of a successor Index.

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 the Calculation Agent shall determine acting in good faith and in a commercially reasonable manner the appropriate pro rata portion of the Exercise Price to be paid by the relevant Holder in respect of that partial settlement; and
- (B) in respect of any Affected Relevant Assets, in lieu of physical settlement, except in the case of U.S. Securities (in which case another price or prices will be specified in the applicable Final Terms), the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Security if Units are specified in the applicable Final Terms, Unit, as the case may be, by payment to the relevant Holder of the Failure to Deliver Settlement Price on the fifth Business Day following the date that notice of such election is given to the Holders in accordance with the relevant Conditions. Payment of the Failure to Deliver Settlement Price will be made in such manner as shall be notified to the Holders.

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 (except as may be limited in the case of U.S. Securities) 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) or (ii) early cancellation of the Securities.

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

*Potential Adjustment Events relating to Share Securities*

In the case of Share Securities, except as may be limited in the case of U.S. Securities, following the declaration by the Basket Company or Share Company, as the case may be, of the terms of any Potential Adjustment Event, the Calculation Agent will, 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 (except as may be limited in the case of U.S. Securities) 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 cancellation in whole or, in the case of Share Securities relating to a Basket of Shares, in part;
- (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 cancellation, an investor generally would not be able to reinvest the relevant proceeds at an effective interest rate as high as the effective return on the relevant Securities being cancelled 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, except as may be limited in the case of U.S. 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 cancel 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 Holders 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 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 cancel 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) cancellation 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 cancel 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 Holders 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 Settlement 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 Price 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 of principal may (i) occur at a different time than expected 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 Holders or (ii) in the case of physical delivery securities, making payment of the Cash Settlement Amount to the relevant Holders instead of delivering or procuring delivery of the Entitlement.

*Option to Substitute Assets or to Pay the Alternate Cash Amount*

The Issuer may 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 Cash Amount.

**7. Securities Subject to Optional Cancellation or Early Exercise by the Relevant Issuer, Other Early Cancellation and Consequences of Exercise**

An optional, other early cancellation or early exercise feature is likely to limit the market value of the Securities. In addition, the Final Terms may provide that the relevant Securities shall be cancelled early in specified circumstances. Following an optional or early cancellation, a Holder generally would not be able to reinvest the cancellation proceeds (if any) at an effective interest rate as high as the rate on the relevant Securities being cancelled, and may only be able to do so at a significantly lower rate. As a consequence, the Holder may lose some or all of their investment. Potential investors should consider reinvestment risk in light of other investments available at that time. Delivery of an Exercise Notice by the relevant Holder will constitute an irrevocable election to exercise the relevant Warrants. After the delivery of an Exercise Notice, the relevant Holder will not be able to transfer the Warrants that have been exercised.

**8. Limited Exposure to Underlying Reference**

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

**9. Certain Additional Risk Factors**

*Realising Value from Warrants Prior to the Exercise Date*

If the Warrants are specified as American Style Warrants in the Final Terms, a Holder will be able to exercise the Warrant before the Exercise Date. In the case of European Style Warrants, the only means through which a Holder can realise value from the Warrant prior to its Exercise Date is to sell it at its then market price in an available secondary market. See "Possible Illiquidity of the Securities in the Secondary Market" above.

### *Limitations on Exercise*

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

### *Minimum Exercise Amount of Warrants*

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

### *Minimum Trading Amount*

If so indicated in the Final Terms, Warrants may have a minimum trading amount. A Holder must tender or, in the case of automatic exercise, hold, a specified number of Warrants at any one time in order to exercise.

### *Time Lag after Exercise of Warrants*

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

### *Exercise Risk*

The exercise of Warrants is subject to all applicable laws, regulations and practices in force on the date of exercise. If the Issuer, the Guarantor (if applicable), the Registrar, the Euroclear Registrar or the Security Agents are unable to effect the transactions contemplated as a result of any law, regulation or practice they shall not incur any liability whatsoever. Further, the Issuer, the Guarantor (if applicable) or the Agents will not be liable under any circumstances for any acts or defaults of the relevant Clearing System (in the case of Warrants governed by English law), the Account Holder (in the case of Warrants governed by French law) or

the Operator (in the case of CREST Dematerialised Securities) in relation to the performance of its duties in relation to the Warrants.

**10. Certain Additional Risk Factors Associated with Italian Dematerialised Securities**

*No physical document of title issued in respect of the Italian Dematerialised Securities*

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 Joint 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).

## USER'S GUIDE TO THE BASE PROSPECTUS

### 1. INTRODUCTION

The purpose of this section (the "**User's Guide**") is to provide potential investors with a tool to help them navigate through the various documents relating to Securities issued by BNPP or BNPP B.V. under the Base Prospectus.

### 2. DOCUMENTATION

For each issue of Securities under the Base Prospectus, the documents listed below will be available to potential investors on an ongoing basis.

#### 2.1 The Base Prospectus

This document:

- contains the programme summary (along with the form of issue specific summary), the information relating to BNPP (as Issuer or Guarantor) and BNPP B.V. (as Issuer) and the risk factors;
- sets out the Terms and Conditions of the Securities (other than the specific commercial terms and characteristics of a particular issue, in respect of which see paragraph 2.3 below);
- sets out the possible specific characteristics of the Securities, including the payout formulae used to calculate the amount(s) (if any) payable or assets deliverable to the investors on the exercise date and the Underlying Reference(s); and
- details the terms specific to each type of Underlying Reference linked Securities in the annexes to the Terms and Conditions of the Securities.

#### 2.2 The Supplement(s)

If a significant new factor, material mistake or inaccuracy relating to the information included in the Base Prospectus, which is capable of affecting a potential investor's assessment of the Securities arises, the Issuer and the Guarantor (if applicable) will publish a supplement to the Base Prospectus. The supplement will be approved by the *Autorité des Marchés Financiers* (the "**AMF**") in accordance with Article 16 of the Prospectus Directive and published on the website of the *Autorité des Marchés Financiers* ([www.amf-france.org](http://www.amf-france.org)) and on the website of BNPP (<https://rates-globalmarkets.bnppparibas.com/gm/public/LegalDocs.aspx>).

In accordance with Article 16.2 of the Prospectus Directive, investors who have already agreed to purchase or subscribe for Securities before this Base Prospectus is published have the right, exercisable within two working days after the publication of this Base Prospectus, to withdraw their acceptances. Investors should be aware, however, that the law of the jurisdiction in which they have accepted an offer of Securities may provide for a longer time limit.

#### 2.3 The Final Terms or (in the case of Exempt Securities) Pricing Supplement

The Final Terms or (in the case of Exempt Securities) the Pricing Supplement will be prepared to document each specific issue of Securities. It will contain:



- the specific terms of the issue, including but not limited to: the number of Securities being issued, the relevant identification codes and the currency of the Securities;
- the commercial terms of the issue, such as the payout formula, any automatic early expiration provisions and the related definitions in respect of a specific issue of Securities, as described in the Base Prospectus, or further described in the Pricing Supplement (in the case of Exempt Securities);

- the Underlying Reference(s) to which the Securities are linked;
- the relevant dates, such as the issue date, exercise date(s) or period, valuation or averaging date(s) and settlement date; and
- if required, a duly completed summary specific to such issue of Securities (the "issue specific summary"), the form of which is set out in the Base Prospectus.

### 3. HOW TO NAVIGATE THE BASE PROSPECTUS

All Securities issued under the Base Prospectus will be subject to the generic sections of the Base Prospectus summarised above. **Investors should note that depending on the specific terms of an issue of Securities not all sections of the Base Prospectus will be relevant to each issuance.**

The table below lists all of the sections of the Base Prospectus and their applicability to each issue of Securities:

	Sections which are applicable to all Securities
	Sections which are only applicable to specific issues of Securities

## Contents of the Base Prospectus

1. Sections providing general information on the Base Prospectus, the Issuer(s), the Guarantor and the Securities

2. Section setting out the general terms governing the Securities

3. Section detailing the different payout formulae

4. Sections applicable to Securities depending on the Underlying Reference(s). One or more sections may apply depending on the Underlying Reference(s).

5. Section listing the relevant defined terms

6. Sections describing BNPP indices and connected third party indices

7. Sections detailing the terms of each of the guarantees

8. Sections relating to the Issuer / Guarantor (as applicable)

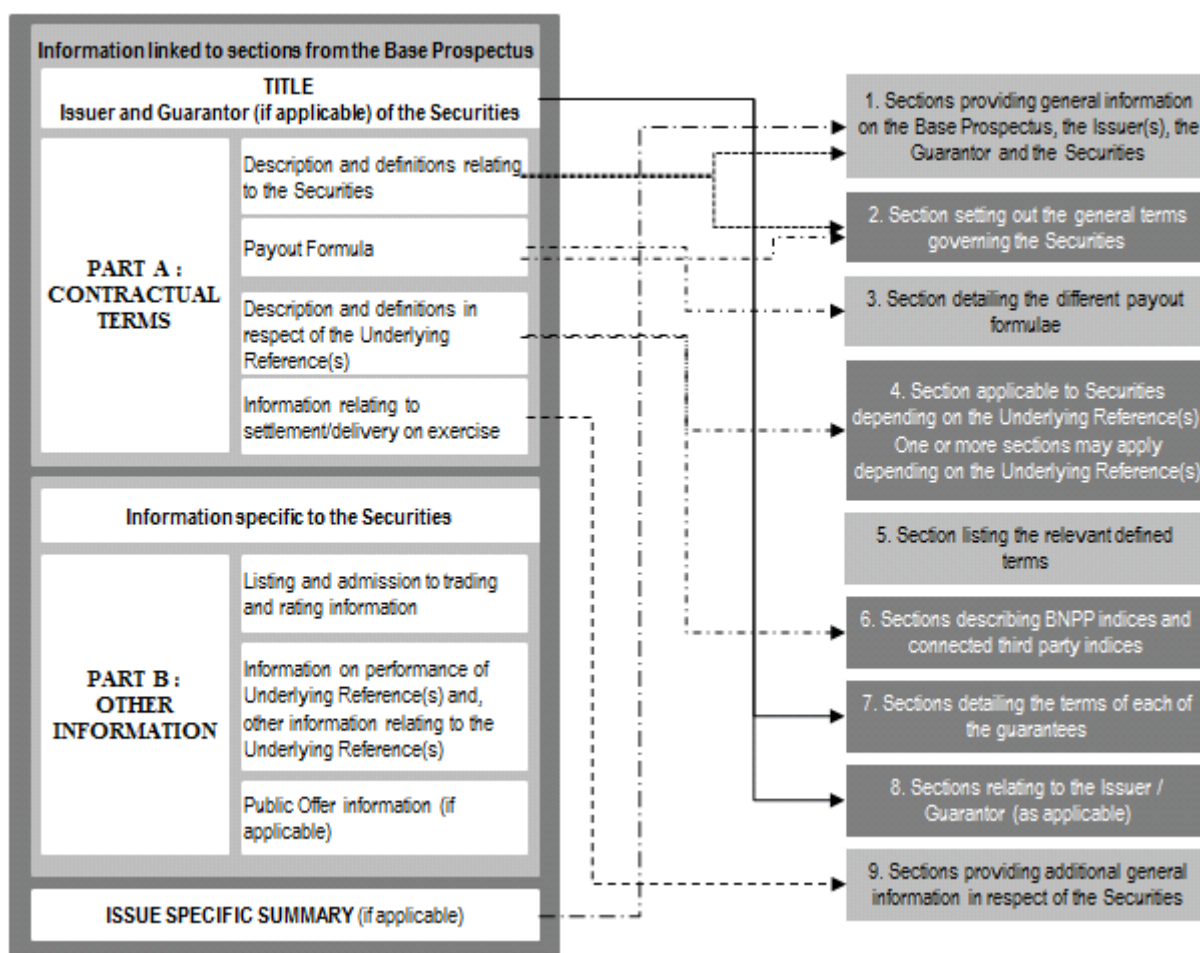
9. Sections providing additional general information in respect of the Securities

#### 4. HOW TO READ THE FINAL TERMS

The applicable Final Terms are divided in three parts:

- Part A, titled "CONTRACTUAL TERMS", which provides the specific contractual terms of the Securities;
- Part B, titled "OTHER INFORMATION", which provides other information specific to the Securities; and
- In the case of Securities where an issue specific summary is required, an issue specific summary of the Securities will be appended to the Final Terms. The form of the issue specific summary is set out in the Base Prospectus.

Exhaustive information on the characteristics of the Securities as set out in Parts A and B of the applicable Final Terms is available in the Base Prospectus. The following diagram indicates the links between the various clauses of Parts A and B of the applicable Final Terms and the corresponding sections of the Base Prospectus set out above.



## AVAILABLE INFORMATION

So long as any of the U.S. Securities are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, and neither BNPP nor BNPP B.V. is subject to and in compliance with Section 13 or 15(d) of the United States Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, BNPP has undertaken to furnish to each Holder or beneficial owner of U.S. Securities, whether issued by BNPP or issued by BNPP B.V. and to any prospective purchaser, any information required to be delivered under Rule 144A(d)(4) under the Securities Act.

## FORWARD-LOOKING STATEMENTS

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

## PRESENTATION OF FINANCIAL INFORMATION

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

The audited consolidated financial statements of BNPP for the years ended 31 December 2015 and 31 December 2016 have been prepared in accordance with international financial reporting standards ("**IFRS**") as adopted by the European Union. IFRS differs in certain significant respects from generally accepted accounting principles in the United States ("**U.S. GAAP**"). The Group has made no attempt to quantify the impact of those differences. In making an investment decision, investors must rely upon their own examination of the BNP Paribas Group, the terms of an offering and the financial information. Potential investors should consult their own professional advisors for an understanding of the differences between IFRS and U.S. GAAP, and how those differences might affect the information herein. The Group's fiscal year ends on 31 December and references in the BNPP 2015 Registration Document (in English) and the BNPP 2016 Registration Document (in English) and any update to the BNPP 2016 Registration Document (in English) (in each case, as defined in "*Document Incorporated by Reference*" below and incorporated by reference herein) to any specific fiscal year are to the 12-month period ended 31 December of such year.

Due to rounding, the numbers presented throughout the BNP Paribas Disclosure and in the table under the heading "Capitalisation of BNPP and the BNP Paribas Group" in the General Information section below may not add up precisely, and percentages may not reflect precisely absolute figures.



## DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with the following documents which have been previously published or are published simultaneously with this Base Prospectus and that have been filed with the AMF for the purpose of the Prospectus Directive, and shall be incorporated in, and form part of, this Base Prospectus:

- (a) the terms and conditions of the Warrants and the Terms and Conditions of the Securities in each case from the base prospectus or supplements listed below (the **"Warrant Previous Conditions"**);
- (b) the form of final terms of the Securities contained in each base prospectus listed below (the **"Previous Form of Final Terms"**);
- (c) the statutory annual reports for 2015 (the **"2015 BNPP B.V. Annual Report"**) and 2016 (the **"2016 BNPP B.V. Annual Report"**) which include, respectively, the audited annual non-consolidated financial statements of BNPP B.V. as at, and for the years ended, 31 December 2015 and 31 December 2016 (the **"BNPP B.V. 2015 Financial Statements"** and the **"BNPP B.V. 2016 Financial Statements"** respectively) and the respective auditor's reports thereon;
- (d) BNPP's *document de référence et rapport financier annuel* in English for 2015 with filing number D.16-0126 including the consolidated financial statements for the year ended 31 December 2015 and the statutory auditor's report thereon other than Chapter 7 (A Responsible Bank: Information on BNP Paribas' Economic, Social, Civic and Environmental Responsibility), the sections entitled "Person Responsible for the Registration Document", the "Table of Concordance" and any reference to a completion letter (*lettre de fin de travaux*) therein (the **"BNPP 2015 Registration Document (in English)"**);
- (e) BNPP's *document de référence et rapport financier annuel* in English for 2016 with filing number D.17-0132 including the consolidated financial statements for the year ended 31 December 2016 and the statutory auditors' report thereon other than Chapter 7 (A Responsible Bank: Information on BNP Paribas' Economic, Social, Civic and Environmental Responsibility), the sections entitled "Person Responsible for the Registration Document" and the "Table of Concordance" and any reference to a completion letter (*lettre de fin de travaux*) therein (the **"BNPP 2016 Registration Document (in English)"**); and
- (f) the BNPP *Actualisation du Document de référence déposée auprès de l'AMF le 3 mai 2017* (in English) with filing number D.17-0132-A01 (the **"First Update to the BNPP 2016 Registration Document (in English)"**),

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

***Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in this Base Prospectus.***

The information incorporated by reference above is available as follows:

Information Incorporated by Reference	Reference
<b><i>Warrant Previous Conditions</i></b>	
2005 Warrant Conditions	Pages 42 to 93 of the base prospectus of BNPP and BNPP B.V. dated 18 October 2005 as approved by the Commission de Surveillance du Secteur Financier (the "CSSF")

January 2006 Warrant Conditions	Pages 55 to 109 of the base prospectus of BNPP and BNPP B.V. dated 18 January 2006 as approved by the CSSF
June 2006 Warrant Conditions	Pages 49 to 117 of the base prospectus of BNPP and BNPP B.V. dated 21 June 2006 as approved by the CSSF
December 2006 Warrant Conditions	Pages 2 to 10 of the supplement dated 21 December 2006 to the base prospectus of BNPP and BNPP B.V. dated 21 June 2006, as approved by the CSSF
March 2007 Warrant Conditions	Pages 3 to 12 of the supplement dated 1 March 2007 to the base prospectus of BNPP and BNPP B.V. dated 21 June 2006, as approved by the CSSF
May 2007 Warrant Conditions	Pages 55 to 144 of the base prospectus of BNPP and BNPP B.V. dated 30 May 2007 as approved by the CSSF
May 2008 Warrant Conditions	Pages 68 to 181 of the base prospectus of BNPP and BNPP B.V. dated 30 May 2008 as approved by the Authority for the Financial Markets (the "AFM")
August 2008 Warrant Conditions	Pages 45 to 158 of the supplement dated 14 August 2008 to the base prospectus of BNPP and BNPP B.V. dated 30 May 2008, as approved by the AFM
June 2009 Warrant Conditions	Pages 87 to 215 of the base prospectus of BNPP and BNPP B.V. dated 4 June 2009 as approved by the AFM
June 2010 Securities Conditions	Pages 130 to 235 of the base prospectus of BNPP and BNPP B.V. dated 3 June 2010 as approved by the AFM
March 2011 Securities Conditions	Pages 20 to 54 of the supplement dated 24 March 2011 to the base prospectus of BNPP and BNPP B.V. dated 3 June 2010, as approved by the AFM
June 2011 Securities Conditions	Pages 138 to 461 of the base prospectus of BNPP and BNPP B.V. dated 7 June 2011 as approved by the AFM
September 2011 Securities Conditions	Pages 2 to 3 of the supplement dated 14 September 2011 to the base prospectus of BNPP and BNPP B.V. dated 7 June 2011, as approved by the AFM
April 2012 Securities Conditions	Pages 4 to 6 of the supplement dated 4 April 2012 to the base prospectus of BNPP and BNPP B.V. dated 7 June 2011, as approved by the AFM
June 2012 Securities Conditions	Pages 152 to 492 of the base prospectus of BNPP and BNPP B.V. dated 1 June 2012 as approved by the AFM
June 2013 W&C Securities Conditions	Pages 347 to 831 of the base prospectus of BNPP B.V., BNPP, BNP Paribas Fortis SA/NV (" <b>BNPPF</b> "), BP2F and BGL BNP Paribas (" <b>BGL</b> ") dated 3 June 2013 as approved by the AMF with visa number 13-259
July 2013 W&C Securities Conditions	Pages 4 to 6 of the supplement dated 24 July 2013 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 3 June 2013 as approved by the AMF with visa number 13-416

September 2013 W&C Securities Conditions	Page 12 of the supplement dated 12 September 2013 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 3 June 2013 as approved by the AMF with visa number 13-490
November 2013 W&C Securities Conditions	Pages 12 to 129 of the supplement dated 12 November 2013 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 3 June 2013 as approved by the AMF with visa number 13-602
December 2013 W&C Securities Conditions	Pages 9 to 17 of the supplement dated 20 December 2013 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 3 June 2013 as approved by the AMF with visa number 13-687
January 2014 W&C Securities Conditions	Pages 9 to 15 of the supplement dated 10 January 2014 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 3 June 2013 as approved by the AMF with visa number 14-008
April 2014 W&C Securities Conditions	Pages 29 to 62 of the supplement dated 11 April 2014 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 3 June 2013 as approved by the AMF with visa number 14-145
June 2014 W&C Securities Conditions	Pages 402 to 908 of the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 5 June 2014 as approved by the AMF with visa number 14-276
August 2014 W&C Securities Conditions	Page 24 of the supplement dated 7 August 2014 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 5 June 2014 as approved by the AMF with visa number 14-457
5 September 2014 W&C Securities Conditions	Page 15 of the supplement dated 5 September 2014 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 5 June 2014 as approved by the AMF with visa number 14-485
22 September 2014 W&C Securities Conditions	Pages 12 to 157 of the supplement dated 22 September 2014 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 5 June 2014 as approved by the AMF with visa number 14-510
October 2014 W&C Securities Conditions	Page 101 of the supplement dated 10 October 2014 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 5 June 2014 as approved by the AMF with visa number 14-543
February 2015 W&C Securities Conditions	Pages 22 to 25 of the supplement dated 10 February 2015 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 5 June 2014 as approved by the AMF with visa number 15-049
March 2015 W&C Securities Conditions	Page 30 of the supplement dated 30 March 2015 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 5 June 2014 as approved by the AMF with

	visa number 15-125
June 2015 W&C Securities Conditions	Pages 455 to 1054 of the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 9 June 2015 as approved by the AMF with visa number 15-262
August 2015 W&C Securities Conditions	Pages 12 to 14 of the supplement dated 6 August 2015 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 9 June 2015 as approved by the AMF with visa number 15-443
September 2015 W&C Securities Conditions	Pages 24 to 32 of the supplement dated 10 September 2015 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 9 June 2015 as approved by the AMF with visa number 15-478
November 2015 W&C Securities Conditions	Pages 18 and 19 of the supplement dated 10 November 2015 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 9 June 2015 as approved by the AMF with visa number 15-568
February 2016 W&C Securities Conditions	Pages 193 to 196 of the supplement dated 29 February 2016 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 9 June 2015 as approved by the AMF with visa number 16-065
June 2016 Securities Conditions	Pages 315 to 654 of the base prospectus of BNPP B.V. and BNPP dated 9 June 2016 as approved by the AMF with visa number 16-237
August 2016 Securities Conditions	Page 3 of the supplement dated 4 August 2016 to the base prospectus of BNPP B.V. and BNPP dated 9 June 2016 as approved by the AMF with visa number 16-384
November 2016 Securities Conditions	Page 16 of the supplement dated 9 November 2016 to the base prospectus of BNPP B.V. and BNPP dated 9 June 2016 as approved by the AMF with visa number 16-524
February 2017 Securities Conditions	Page 185 of the supplement dated 28 February 2017 to the base prospectus of BNPP B.V. and BNPP dated 9 June 2016 as approved by the AMF with visa number 17-076
<b><i>Previous Form of Final Terms</i></b>	
2005 Form of Final Terms for Warrants	Pages 84 to 100 of the base prospectus of BNPP and BNPP B.V. dated 18 October 2005 as approved by the CSSF
January 2006 Form of Final Terms for Warrants	Pages 35 to 54 of the base prospectus of BNPP and BNPP B.V. dated 18 January 2006 as approved by the CSSF
June 2006 Form of Final Terms for Warrants	Pages 31 to 48 of the base prospectus of BNPP and BNPP B.V. dated 21 June 2006 as approved by the CSSF
May 2007 Form of Final Terms for Warrants	Pages 33 to 54 of the base prospectus of BNPP and BNPP B.V. dated 30 May 2007 as approved by the CSSF
July 2007 Form of Final Terms for Warrants	Pages 23 to 45 of the supplement dated 11 July 2007 to the base prospectus of BNPP and BNPP B.V. dated 30 May 2007, as approved by the AFM

January 2008 Form of Final Terms for Warrants	Pages 235 to 264 of the supplement dated 8 January 2008 to the base prospectus of BNPP and BNPP B.V. dated 30 May 2007, as approved by the AFM
May 2008 Form of Final Terms for Warrants	Pages 39 to 67 of the base prospectus of BNPP and BNPP B.V. dated 30 May 2008 as approved by the AFM
August 2008 Form of Final Terms for Warrants	Pages 15 to 44 of the supplement dated 14 August 2008 to the base prospectus of BNPP and BNPP B.V. dated 30 May 2008, as approved by the AFM
June 2009 Form of Final Terms for Warrants	Pages 50 to 86 of the base prospectus of BNPP and BNPP B.V. dated 4 June 2009 as approved by the AFM
June 2010 Form of Final Terms for Securities	Pages 57 to 129 of the base prospectus of BNPP and BNPP B.V. dated 3 June 2010 as approved by the AFM
March 2011 Form of Final Terms for Securities	Pages 17 to 19 of the supplement dated 24 March 2011 to the base prospectus of BNPP and BNPP B.V. dated 3 June 2010, as approved by the AFM
June 2011 Form of Final Terms for Securities	Pages 72 to 137 of the base prospectus of BNPP and BNPP B.V. dated 7 June 2011 as approved by the AFM
April 2012 Form of Final Terms for Securities	Page 4 of the supplement dated 4 April 2012 to the base prospectus of BNPP and BNPP B.V. dated 7 June 2011, as approved by the AFM
June 2012 Form of Final Terms for Securities	Pages 84 to 151 of the base prospectus of BNPP and BNPP B.V. dated 1 June 2012 as approved by the AFM
June 2013 Form of Final Terms for W&C Securities	Pages 208 to 273 of the base prospectus of BNPP B.V., BNPP, BNPPF, BP2F and BGL dated 3 June 2013 as approved by the AMF with visa number 13-259
November 2013 Form of Final Terms for W&C Securities	Pages 9 to 10 of the supplement dated 12 November 2013 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 3 June 2013 as approved by the AMF with visa number 13-602
December 2013 Form of Final Terms for W&C Securities	Page 8 of the supplement dated 20 December 2013 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 3 June 2013 as approved by the AMF with visa number 13-687
January 2014 Form of Final Terms for W&C Securities	Page 8 of the supplement dated 10 January 2014 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 3 June 2013 as approved by the AMF with visa number 14-008
April 2014 Form of Final Terms for W&C Securities	Pages 68 to 72 of the supplement dated 11 April 2014 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 3 June 2013 as approved by the AMF with visa number 14-145
June 2014 Form of Final Terms for W&C Securities	Pages 260 to 338 of the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 5 June 2014 as approved by the AMF with visa number 14-276

August 2014 Form of Final Terms for W&C Securities	Page 23 of the supplement dated 7 August 2014 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 5 June 2014 as approved by the AMF with visa number 14-457
22 September 2014 Form of Final Terms for W&C Securities	Pages 10 to 11 of the supplement dated 22 September 2014 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 5 June 2014 as approved by the AMF with visa number 14-510
February 2015 Form of Final Terms for W&C Securities	Pages 15 to 18 of the supplement dated 10 February 2015 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 5 June 2014 as approved by the AMF with visa number 15-049
June 2015 Form of Final Terms for W&C Securities	Pages 282 to 367 of the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 9 June 2015 as approved by the AMF with visa number 15-262
September 2015 Form of Final Terms for W&C Securities	Pages 22 to 23 of the supplement dated 10 September 2015 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 9 June 2015 as approved by the AMF with visa number 15-478
October 2015 Form of Final Terms for W&C Securities	Page 10 of the supplement dated 8 October 2015 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 9 June 2015 as approved by the AMF with visa number 15-520
November 2015 Form of Final Terms for W&C Securities	Page 15 of the supplement dated 10 November 2015 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 9 June 2015 as approved by the AMF with visa number 15-568
June 2016 Form of Final Terms for Warrants	Pages 266 to 314 of the base prospectus of BNPP B.V. and BNPP dated 9 June 2016 as approved by the AMF with visa number 16-237
February 2017 Form of Final Terms for Warrants	Page 184 of the supplement dated 28 February 2016 to the base prospectus of BNPP B.V. and BNPP dated 9 June 2016 as approved by the AMF with visa number 17-076

Information Incorporated by Reference	Reference
<b>BNP PARIBAS</b>	
<b><i>BNPP 2015 REGISTRATION DOCUMENT (IN ENGLISH)</i></b>	
<b>2015 FINANCIAL STATEMENTS</b>	
Profit and loss account for the year ended 31 December 2015	Page 132 of the BNPP 2015 Registration Document (in English)
Statement of net income and changes in assets and liabilities recognised directly in equity	Page 133 of the BNPP 2015 Registration Document (in English)
Balance sheet at 31 December 2015	Page 134 of the BNPP 2015 Registration Document (in English)

Cash flow statement for the year ended 31 December 2015	Page 135 of the BNPP 2015 Registration Document (in English)
Statement of changes in shareholders' equity between 1 January 2014 and 31 December 2015	Pages 136 and 137 of the BNPP 2015 Registration Document (in English)
Notes to the financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union	Pages 138 to 230 of the BNPP 2015 Registration Document (in English)
Statutory Auditors' report on the Consolidated Financial Statements of BNP Paribas for the year ended 31 December 2015	Pages 231 and 232 of the BNPP 2015 Registration Document (in English)
<b>BNPP 2016 REGISTRATION DOCUMENT (IN ENGLISH)</b>	
<b><i>Extracts of Annex XI of the European Regulation 809/2004/EC of 29 April 2004</i></b>	
<b>3. Risk Factors</b>	
3.1. Prominent disclosure of risk factors that may affect the Issuer's ability to fulfil its obligations under the securities to investors in a section headed "Risk Factors".	Pages 235 to 412 of the BNPP 2016 Registration Document (in English)
<b>4. Information about the Issuer</b>	
4.1. History and development of the Issuer	Page 5 of the BNPP 2016 Registration Document (in English)
4.1.1. The legal and commercial name of the Issuer	Page 539 of the BNPP 2016 Registration Document (in English)
4.1.2. The place of registration of the Issuer and its registration number;	Pages 539 and 560 (back cover) of the BNPP 2016 Registration Document (in English)
4.1.3. The date of incorporation and the length of life of the Issuer, except where indefinite;	Page 539 of the BNPP 2016 Registration Document (in English)
4.1.4. <ul style="list-style-type: none"> <li>the domicile and legal form of the Issuer,</li> <li>the legislation under which the Issuer operates,</li> <li>its country of incorporation, and</li> <li>the address and telephone number of its registered office (or principal place of business if different from its registered office).</li> </ul>	Pages 539 and 560 (back cover) of the BNPP 2016 Registration Document (in English)
4.1.5. Any recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.	Page 126 of the BNPP 2016 Registration Document (in English)
<b>5. Business Overview</b>	
5.1.1. A brief description of <ul style="list-style-type: none"> <li>the Issuer's principal activities stating,</li> <li>the main categories of products sold</li> </ul>	Pages 6 to 15, 162 to 164 and 532 to 538 of the BNPP 2016 Registration Document (in English)

	and/or services performed.	
5.1.2.	An indication of any significant new products and/or activities.	Pages 6 to 15, 162 to 164 and 532 to 538 of the BNPP 2016 Registration Document (in English)
5.1.3.	A brief description of the principal markets in which the Issuer competes.	Pages 6 to 15, 162 to 164 and 532 to 538 of the BNPP 2016 Registration Document (in English)
5.1.4.	The basis for any statements in the registration document made by the Issuer regarding its competitive position.	Pages 6 to 15 and 104 to 115 of the BNPP 2016 Registration Document (in English)
6.	<b>Organisational Structure</b>	
6.1.	If the Issuer is part of a group, a brief description of the group and of the Issuer's position within it.	Page 4 of the BNPP 2016 Registration Document (in English)
6.2.	If the Issuer is dependent upon other entities within the group, this must be clearly stated together with an explanation of this dependence.	Pages 222 to 230, 448 to 450 and 532 to 537 of the BNPP 2016 Registration Document (in English)
7.	<b>Trend Information</b>	
7.2	Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the issuer's prospects for at least the current financial year.	Pages 127 to 128 of the BNPP 2016 Registration Document (in English)
8.	<b>Profit Forecasts or Estimates</b>	
8.1.	<p>A statement setting out the principal assumptions upon which the Issuer has based its forecast, or estimate.</p> <p>There must be a clear distinction between assumptions about factors which the members of the administrative, management or supervisory bodies can influence and assumptions about factors which are exclusively outside the influence of the members of the administrative, management or supervisory bodies; be readily understandable by investors; be specific and precise; and not relate to the general accuracy of the estimates underlying the forecast.</p>	
8.2.	<p>A report prepared by independent accountants or auditors stating that in the opinion of the independent accountants or auditors the forecast or estimate has been properly compiled on the basis stated, and that the basis of accounting used for the profit forecast or estimate is consistent with the accounting policies of the Issuer.</p> <p>Where financial information relates to the previous financial year and only contains non-misleading figures substantially consistent with the final figures to be published in the next annual audited financial statements for the</p>	N/A



<p>previous financial year, and the explanatory information necessary to assess the figures, a report shall not be required provided that the prospectus includes all of the following statements:</p> <ul style="list-style-type: none"> <li>(a) the person responsible for this financial information, if different from the one which is responsible for the prospectus in general, approves that information;</li> <li>(b) independent accountants or auditors have agreed that this information is substantially consistent with the final figures to be published in the next annual audited financial statements;</li> <li>(c) this financial information has not been audited.</li> </ul>	
<p>8.3. The profit forecast or estimate must be prepared on a basis comparable with the historical financial information.</p>	
<p><b>9. Administrative, Management, and Supervisory Bodies</b></p>	
<p>9.1. Names, business addresses and functions in the Issuer of the members of the administrative, management or supervisory bodies, and an indication of the principal activities performed by them outside the Issuer where these are significant with respect to that Issuer:</p> <ul style="list-style-type: none"> <li>(a) members of the administrative, management or supervisory bodies;</li> <li>(b) partners with unlimited liability, in the case of a limited partnership with a share capital.</li> </ul>	<p>Pages 30 to 42 and 102 of the BNPP 2016 Registration Document (in English)</p>
<p>9.2. Administrative, Management, and Supervisory bodies conflicts of interests.</p> <p>Potential conflicts of interests between any duties to the issuing entity of the persons referred to in item 9.1 and their private interests and or other duties must be clearly stated.</p> <p>In the event that there are no such conflicts, make a statement to that effect.</p>	<p>Pages 43 to 60, 65 to 66 and 78 to 79 of the BNPP 2016 Registration Document (in English)</p>
<p><b>10. Major Shareholders</b></p>	
<p>10.1. To the extent known to the Issuer, state whether the Issuer is directly or indirectly owned or controlled and by whom, and describe the nature of such control, and describe the measures in place to ensure that such control is not abused.</p>	<p>Pages 16 and 17 of the BNPP 2016 Registration Document (in English)</p>

10.2. A description of any arrangements, known to the Issuer, the operation of which may at a subsequent date result in a change in control of the Issuer.	Page 17 of the BNPP 2016 Registration Document (in English)
<b>2016 FINANCIAL STATEMENTS</b>	
Profit and loss account for the year ended 31 December 2016	Page 134 of the BNPP 2016 Registration Document (in English)
Statement of net income and changes in assets and liabilities recognised directly in equity	Page 135 of the BNPP 2016 Registration Document (in English)
Balance sheet at 31 December 2016	Page 136 of the BNPP 2016 Registration Document (in English)
Cash flow statement for the year ended 31 December 2016	Page 137 of the BNPP 2016 Registration Document (in English)
Statement of changes in shareholders' equity between 1 January 2016 and 31 December 2016	Pages 138 and 139 of the BNPP 2016 Registration Document (in English)
Notes to the financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union	Pages 140 to 231 of the BNPP 2016 Registration Document (in English)
Statutory Auditors' report on the Consolidated Financial Statements of BNP Paribas for the year ended 31 December 2016	Pages 232 and 233 of the BNPP 2016 Registration Document (in English)
<b><i>First Update to the BNPP 2016 Registration Document</i></b>	
Person responsible	Pages 92 of the First Update to the BNPP 2016 Registration Document (in English)
Quarterly Financial Information	Pages 3 to 64 and page 67 of the First Update to the BNPP 2016 Registration Document (in English)
Risk factors	Pages 68 to 73 of the First Update to the BNPP 2016 Registration Document (in English)
Remuneration and benefits	Pages 74 to 88 of the First Update to the BNPP 2016 Registration Document (in English)
Legal and arbitration proceedings	Page 89 of the First Update to the BNPP 2016 Registration Document (in English)
Documents on display	Page 89 of the First Update to the BNPP 2016 Registration Document (in English)
Significant change in the issuer's financial or trading position	Page 90 of the First Update to the BNPP 2016 Registration Document (in English)
Additional Information	Pages 65, 66 and 74 to 90 of the First Update to the BNPP 2016 Registration Document (in English)
Statutory Auditors	Page 91 of the First Update to the BNPP 2016 Registration Document (in English)
<b>BNP PARIBAS ISSUANCE B.V. (formerly BNP Paribas Arbitrage Issuance B.V.)</b>	

<b>2015 BNPP B.V. Annual Report</b>	
Managing Director's Report	Pages 3 to 4 of the 2015 BNPP B.V. Annual Report
Balance Sheet at 31 December 2015	Page 5 of the 2015 BNPP B.V. Annual Report
Profit & Loss Account for the year ended 31 December 2015	Page 6 of the 2015 BNPP B.V. Annual Report
Cashflow Statement for the year ended 31 December 2015	Page 7 of the 2015 BNPP B.V. Annual Report
Shareholder's equity	Page 8 of the 2015 BNPP B.V. Annual Report
Notes/Other Information	Pages 9 to 17 of the 2015 BNPP B.V. Annual Report
Auditor's Report of the Financial Statements of BNPP B.V. for the year ended 31 December 2015	Pages 18 to 21 of the 2015 BNPP B.V. Annual Report
<b>2016 BNPP B.V. Annual Report</b>	
Managing Director's Report	Pages 3 to 4 of the 2016 BNPP B.V. Annual Report
Balance Sheet at 31 December 2016	Page 5 of the 2016 BNPP B.V. Annual Report
Profit & Loss Account for the year ended 31 December 2016	Page 6 of the 2016 BNPP B.V. Annual Report
Cashflow Statement for the year ended 31 December 2016	Page 7 of the 2016 BNPP B.V. Annual Report
Shareholder's equity	Page 8 of the 2016 BNPP B.V. Annual Report
Notes/Other Information	Pages 9 to 18 of the 2016 BNPP B.V. Annual Report
Auditor's Report of the Financial Statements of BNPP B.V. for the year ended 31 December 2016	Pages 19 to 21 of the 2016 BNPP B.V. Annual Report

Information contained in the documents incorporated by reference other than information listed in the tables above is for information purposes only.

Each Issuer will provide, free of charge, to each person to whom a copy of this Base Prospectus has been delivered, upon the oral or written request of such person, a copy of any or all of the documents which are incorporated herein by reference in (a), (b) or (c) above. Each of the documents incorporated by reference in (d) to (f) above will only be made available by the relevant Issuer or the Guarantor to which such document relates. Written or oral requests for such documents should be directed to the relevant Issuer at its principal office set out at the end of this Base Prospectus.

In addition, copies of any documents incorporated by reference will be made available, free of charge, by BNP Paribas Securities Services, Luxembourg Branch ("**BNPSS**"), BNP Paribas Arbitrage S.N.C. ("**BNPA**") and the other Agents. Requests for such documents should be directed to the specified office of such Agent. Such documents will, along with this Base Prospectus, be available for viewing via the website of BNPP (<https://rates-globalmarkets.bnpparibas.com/gm/Public/LegalDocs.aspx>) and via the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

## GENERAL DESCRIPTION OF THE PROGRAMME AND PAYOUT METHODOLOGY UNDER THIS BASE PROSPECTUS

<b>Issuers</b>	<p>BNP Paribas Issuance B.V. (formerly BNP Paribas Arbitrage Issuance B.V.) ("<b>BNPP B.V.</b>")</p> <p>BNP Paribas ("<b>BNPP</b>" and, together with its consolidated subsidiaries, the "<b>Group</b>").</p>
<b>Guarantor</b>	BNP Paribas
<b>Description of the Securities under this Base Prospectus</b>	Warrants issued under the Note, Warrant and Certificate Programme
<b>Securities</b>	<p>Securities may be issued as Index Securities, Share Securities, ETI Securities, Debt Securities, Commodity Securities, Inflation Index Securities, Currency Securities, Fund Securities, Credit Securities, Futures Securities, Underlying Interest Rate Securities, or any other or further type of warrants including 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 or options contracts), funds, fund indices, futures contracts, underlying interest rates or other asset classes or types.</p>
<b>Governing Law</b>	The Securities and any related Guarantee may be governed by English or French law as specified in the applicable Final Terms.
<b>Payout Methodology</b>	<p>The amount(s) (if any) payable or deliverable, as applicable, under the Securities will be comprised of the following components (each a "<b>Product Component</b>"):</p> <ul style="list-style-type: none"> <li>(i) on exercise, the Cash Settlement Amount (see Security Condition 19 (<i>Certain Definitions Relating to Exercise, Valuation and Settlement</i>) and Payout Conditions 1.1, 2.2, 3.3);</li> <li>(ii) if Automatic Early Expiration is specified as applicable in the applicable Final Terms and an Automatic Early Expiration Event occurs, the Automatic Early Expiration Payout Amount, as applicable, (see Security Condition 24.12 (<i>Automatic Early Expiration</i>) and Payout Conditions 1.2, 2.3 and 3.4); and/or</li> <li>(iii) in the case of Physical Delivery Securities, the Entitlement (see Security Condition 19 (<i>Certain Definitions Relating to Exercise, Valuation and Settlement</i>) and Payout Conditions 1.6 and 2.4).</li> </ul> <p>The terms of a Series of Securities are comprised of (i) the Conditions, (ii) the Annex relevant to the relevant Underlying References and (iii) if selected in the applicable Final Terms, the Payout(s) selected from Annex 1 to the Conditions (the "<b>Payout Annex</b>") specified in the applicable Final Terms and the related variables specified in the applicable Final Terms (including the relevant valuation provisions) for such Payout(s) (as selected from the Payout Annex).</p>

**Investors must review the Conditions, the Annex relevant to the relevant Underlying Reference and the Payout Annex, together with the applicable Final Terms to ascertain the terms and conditions applicable to the Securities.**

#### **Exempt Securities**

The requirement to publish a prospectus under the Prospectus Directive only applies to Securities which are to be admitted to trading on a regulated market in the European Economic Area and/or offered to the public in the European Economic Area other than in circumstances where an exemption is available under Article 3.2 of the Prospectus Directive (as implemented in the relevant Member State(s)). Under this Base Prospectus, the Issuers may issue Exempt Securities (being Securities for which no prospectus is required to be published under the Prospectus Directive). In the case of Exempt Securities, any terms and conditions not contained in this Base Prospectus which are applicable to such Exempt Securities will be set out in a pricing supplement document (the "**Pricing Supplement**"). The Agency Agreement (as defined in the Security Conditions) sets out the form of Pricing Supplement for Exempt Securities which are Warrants. For the purposes of any Exempt Securities, references in the Conditions to "Final Terms" shall be deemed to include a reference to "Pricing Supplement".

## SECURITY AND COLLATERAL IN RESPECT OF SECURED SECURITIES

The following shall apply to Secured Securities only.

### General

Only BNPP B.V. may issue Secured Securities. In order to secure its obligations in respect of the Secured Securities, BNPP B.V. will enter into one or more pledge agreements and/or other security arrangements with, among others, BNP Paribas Trust Corporation UK Limited which will, unless otherwise specified in the applicable Final Terms, be governed by Luxembourg law (each a "**Security Agreement**"). Under the Security Agreement, BNPP B.V. will grant first ranking security over securities accounts or cash accounts (each a "**Collateral Account**") held by BNPP B.V. with BNP Paribas Securities Services, Luxembourg Branch or such other custodian or account bank as is specified for the relevant Collateral Pool in the applicable Final Terms (each a "**Collateral Custodian**") in favour of BNP Paribas Trust Corporation UK Limited (the "**Collateral Agent**") on behalf of itself and the relevant Holders. In each Collateral Account, BNPP B.V. will hold sufficient securities or cash which, upon delivery to the relevant Collateral Account, are Eligible Collateral (the "**Collateral Assets**") to secure the marked to market value of the relevant Secured Securities ("**MTM Collateralisation**") or a specified proportion of the marked to market value of the relevant Secured Securities ("**Partial MTM Collateralisation**"). Whether or not MTM Collateralisation or Partial MTM Collateralisation is applicable to a series of Secured Securities will be specified in the applicable Final Terms. Multiple series of Secured Securities may be secured by the Collateral Assets held in a single Collateral Account (each a "**Collateral Pool**") if so specified in the relevant Final Terms.

### Adjustments to Collateral Pool where the Collateral Assets are securities

Unless otherwise specified in the applicable Final Terms, where the Collateral Assets are securities, on such periodic basis as is specified in the applicable Final Terms (each a "**Collateral Valuation Date**"), BNP Paribas Arbitrage S.N.C (or such other party specified in the applicable Final Terms) (the "**Collateral Calculation Agent**") will determine (a) the marked to market value of the Collateral Assets in a Collateral Pool (the "**Collateral Value**") and (b) the sum of, in respect of each series of Secured Securities secured by the relevant Collateral Pool, the marked to market value of such Secured Securities (where MTM Collateralisation is applicable to a series of Secured Securities) or part of the marked to market value of such Secured Securities (where Partial MTM Collateralisation is applicable to a series of Secured Securities), the aggregate nominal value or part of the aggregate nominal value of the relevant Secured Securities (such sum, the "**Securities Value**"). When determining the Collateral Value in respect of Collateral Assets in a Collateral Pool, the Collateral Calculation Agent may, if so specified in the applicable Final Terms, apply a "haircut" (being a percentage by which the market value of a Collateral Asset is discounted) which is designed to mitigate the depreciation in value of the relevant Collateral Asset in the period between the last valuation of the Collateral Asset and the realisation of such Collateral Asset. When determining the Securities Value on the basis of the marked to market value of the Secured Securities (or part of such marked to market value), the Collateral Calculation Agent shall take no account of the financial condition of (a) BNPP B.V. which shall be presumed to be able to perform fully its obligations in respect of the Secured Securities or, (b) the Guarantor which shall be presumed to be able to perform fully its obligations in respect of the Guarantee. Unless the applicable Final Terms specify that there will be no adjustments to the amount of Collateral Assets or that there are no Collateral Valuation Dates, in the event that on a Collateral Valuation Date there is a difference between the Collateral Value and the applicable Securities Value, BNPP B.V. will procure that further assets are delivered to the Collateral Account (or substitute existing Collateral Assets with Collateral Assets with a greater value) if the value of the Collateral Assets is less than the Securities Value prior to such adjustment or will be entitled to remove Collateral Assets from the Collateral Account if the Collateral Value is in excess of the Securities Value prior to such adjustment. Following such adjustment in respect of Collateral Assets on any Collateral Valuation Date, the Collateral Value is expected to be equal to the Securities Value.

### **Adjustments to Collateral Pool where the Collateral Asset is a cash deposit**

Where the Collateral Asset is a cash deposit, on each Collateral Valuation Date (if any) the Collateral Calculation Agent will determine only the Securities Value. When determining the Securities Value on the basis of the marked to market value of the Secured Securities (or part of such marked to market value), the Collateral Calculation Agent shall take no account of the financial condition of (a) BNPP B.V. which shall be presumed to be able to perform fully its obligations in respect of the Secured Securities or (b) the Guarantor which shall be presumed to be able to perform fully its obligations in respect of the Guarantee. Unless the applicable Final Terms specify that there will be no adjustments to the amount of Collateral Assets or that there are no Collateral Valuation Dates, in the event that on a Collateral Valuation Date there is a difference between the amount of cash standing to the credit of the Collateral Account (the "**Deposit Amount**") and the applicable Securities Value, BNPP B.V. will procure that further cash is deposited in the Collateral Account if the Deposit Amount is below the Securities Value prior to such adjustment or will be entitled to withdraw cash from the Collateral Account if the Deposit Amount is in excess of the Securities Value prior to such adjustment. Following such adjustment in respect of Collateral Assets on any Collateral Valuation Date, the Deposit Amount is expected to be equal to the Securities Value.

### **Delivery of Collateral Assets**

In the event that BNPP B.V. is required to deliver or deposit additional Collateral Assets or alternative Collateral Assets in the Collateral Account, BNPP B.V. shall do so as soon as practicable following the relevant Collateral Valuation Date.

### **Calculations**

The Collateral Agent will not be required to calculate or check the valuation of the relevant Secured Securities or the Collateral Assets prior to the enforcement of the Security Agreements. In connection with the distribution of the realisation proceeds from the Collateral Assets, the Collateral Agent may be required to determine the Security Termination Amount due in respect of each Secured Security and the Final Security Value in respect of such Secured Security. The Collateral Agent will determine the Final Security Value of a Secured Security on the basis of information obtained from the Collateral Calculation Agent.

The Final Terms applicable to a series of Secured Securities may specify that there are no Collateral Valuation Dates and that there will be no Collateral Calculation Agent in which case the Collateral Assets in a Collateral Pool will not be subject to adjustment as described above following their initial deposit in or delivery to the relevant Collateral Account.

### **No collateralisation in respect of Secured Securities held by BNPP B.V. or any of its Affiliates**

There will be no collateralisation in respect of any Secured Securities beneficially owned by BNPP B.V. or any of its Affiliates. During the term of the relevant Secured Securities, where BNPP B.V. or any of its Affiliates is the beneficial owner of Secured Securities, it will not provide or hold any Collateral Assets in respect of such Secured Securities.

Following an Enforcement Event, BNPP B.V. or the Affiliate of BNPP B.V. that holds the Secured Securities will renounce and waive all rights (including as to payment) in respect of such Secured Securities and shall submit such Secured Securities for cancellation free of payment.

### **Substitutions**

In the period between Collateral Valuation Dates, BNPP B.V. may withdraw Collateral Assets from any Collateral Account but only if it replaces them with alternative Collateral Assets which have at least the same marked to market value (as of the previous Collateral Valuation Date) as those being replaced.

## **Enforcement**

Upon receipt of a notice from a Holder that an Event of Default has occurred (a "**Default Notification**"), BNPP B.V. may deliver a notice to the Collateral Agent and the relevant Holder stating that, in its reasonable belief, the relevant Event of Default has not occurred (such a notice, an "**Event Dispute Notice**"). If the Collateral Agent does not receive an Event Dispute Notice at or prior to the end of the Dispute Period, the Collateral Agent will deliver a notice to, among others, BNPP B.V. and the Collateral Custodian specifying that a Default Notification has been delivered, that no Event Dispute Notice has been received from BNPP B.V. within the Dispute Period with respect to such Default Notification and that, as a result, the Secured Securities are immediately due and payable (an "**Enforcement Notice**"). The Holders will receive a copy of such Enforcement Notice. Following delivery of an Enforcement Notice, the Collateral Agent will enforce the Security Agreement(s) in accordance with the terms thereof and will liquidate or realise the Collateral Assets in all the Collateral Pools, or appoint an agent to do so on its behalf, save where Physical Delivery of Collateral is specified as applicable to a series of Secured Securities, in which case the portion of the Collateral Assets held in respect of series of Secured Securities secured by the relevant Collateral Pool which are subject to Collateral Cash Settlement (if any) only will be liquidated. In accordance with the terms of the Secured Securities, the Collateral Agent will distribute the proceeds of such liquidation or realisation of a Collateral Pool to the Holders of the Secured Securities secured by such Collateral Pool where such Secured Securities are subject to Collateral Cash Settlement or, where Physical Delivery of Collateral is specified as applicable, arrange for delivery of the Collateral Assets in the relevant Collateral Pool or the portion of the Collateral Assets held in respect of series of Secured Securities which are subject to Physical Delivery of Collateral (where the Collateral Pool secures series of Secured Securities to which both Collateral Cash Settlement and Physical Delivery of Collateral applies) to the relevant Holders, in each case after payment of any costs and fees incurred in connection with the enforcement of the Security Agreement and, where applicable, after payment of any other amount which is payable in priority thereto in accordance with the applicable Priority of Payments set out in the applicable Final Terms or, as applicable, the applicable Collateral Security Conditions. The Collateral Assets in one Collateral Pool and the proceeds of enforcement from that Collateral Pool (if any) will not be available to satisfy amounts due in respect of any Secured Securities which are not secured by that Collateral Pool.

### *Enforcement*

Following the occurrence of an Event of Default, a Holder, or the Distributor acting on the instructions of a Holder, may provide a Default Notification. If the Collateral Agent does not receive an Event Dispute Notice from BNPP B.V. at or prior to the end of the Dispute Period, it shall deliver an Enforcement Notice to each of BNPP B.V., the Principal Security Agent and the Collateral Custodian whereupon the Secured Securities shall become immediately due and payable at their Security Termination Amount (which will be equal to the marked to market value of the Option), and BNPP B.V. shall be obliged to deliver the Entitlement (which will consist of a pro rata share of the Reference Collateral Assets held by BNPP B.V. in respect of the relevant series of Collateral Asset Linked Securities) in respect of the Secured Securities on the relevant Collateral Delivery Date without further action or formalities and the Security Interest granted under the Pledge Agreement shall become enforceable (as set out in the Pledge Agreement).

### *Collateral Asset Default or Collateral Default Event*

BNPP B.V. shall redeem the Secured Securities as soon as reasonably practicable after the occurrence of the Collateral Asset Default or Collateral Default Event, as the case may be, by (a) delivering the Reference Collateral Assets in the relevant Collateral Pool to the Holders of the Secured Securities secured by such Reference Collateral Assets and (b) payment to the Holders of Secured Securities of an amount in the Settlement Currency equal to the *pro rata* share applicable to each relevant Placed Secured Security of the marked to market value, on the Collateral Asset Default Determination Date, of the portion of the Option which relates to the Placed Secured Securities, as determined by the Calculation Agent.



## Acquisition of Collateral Assets

BNPP B.V. may acquire the Collateral Assets in a number of ways including by entering into repurchase agreements or swap agreements or any other agreements with BNP Paribas Arbitrage S.N.C., BNP Paribas or any other Affiliate of the Issuer or such other entities as it deems appropriate from time to time.

### *Swap Agreement*

In connection with one or more series of Secured Securities, BNPP B.V. may enter into a swap agreement with a counterparty which may be BNP Paribas Arbitrage S.N.C., BNP Paribas or any other Affiliate of BNPP B.V. or such other entities as it deems appropriate from time to time (the "**Swap Counterparty**") evidenced by a 1992 ISDA Master Agreement and Schedule or a 2002 ISDA Master Agreement and Schedule thereto together with the confirmation entered into by BNPP B.V. and the Swap Counterparty in respect of the relevant series of Secured Securities (a "**Swap Agreement**").

The purpose of the Swap Agreement is to allow BNPP B.V. to perform its scheduled obligations under the relevant Secured Securities. The Swap Agreement may provide that BNPP B.V. will pay to the Swap Counterparty the proceeds of issue of the Secured Securities which are to be secured by the Collateral Pool. Over the term of the relevant Secured Securities, upon scheduled settlement of the Secured Securities and, upon the cancellation of the Secured Securities other than following an Event of Default, the Swap Counterparty will make payments or delivery of assets to BNPP B.V. which correspond to those which BNPP B.V. is scheduled to make under the relevant Secured Securities. The Swap Agreement may be supplemented by a credit support document (a "**Credit Support Document**").

### *Credit Support Document*

Under the terms of the Credit Support Document, until the exercise of the relevant Secured Securities the Swap Counterparty shall deliver to BNPP B.V., the initial Collateral Assets in an amount determined by the relevant Securities Value of a series and from time to time, as applicable additional Collateral Assets on the basis of the Securities Value and Collateral Value. BNPP B.V. shall re-deliver Collateral Assets or assets equivalent thereto to the Swap Counterparty, if applicable, on the basis of the Securities Value and Collateral Value. The Credit Support Document may include provisions governing the calculation of the Securities Value and the Collateral Value in respect of the relevant Secured Securities. The Swap Counterparty may at its sole discretion substitute the Collateral Assets for other Eligible Collateral. BNPP B.V. may appoint one or more agents to perform custodial and administrative functions relating to its obligations under the Credit Support Document.

### *Repurchase Agreement*

In connection with one or more series of Secured Securities, BNPP B.V. may enter into a repurchase agreement (a "**Repurchase Agreement**") with a counterparty which may be BNP Paribas Arbitrage S.N.C., BNP Paribas or any other Affiliate of BNPP B.V. (the "**Repo Counterparty**"). The Repurchase Agreement may be substantially in the form of a 2000 TBMA/ISMA Global Master Repurchase Agreement, a "*Convention Cadre FBF aux opérations de pensions livrées*", each as amended, supplemented or otherwise modified from time to time, or any other agreement having a similar effect. Pursuant to the Repurchase Agreement, BNPP B.V. may enter into a series of repurchase transactions (each a "**Transaction**") with the Repo Counterparty in respect of Collateral Assets. Under each such Transaction, the Repo Counterparty will be the seller of Collateral Assets and BNPP B.V. will be the buyer.

Under a Repurchase Agreement entered into in respect of a series of Secured Securities, on the initial purchase date and each subsequent purchase date BNPP B.V. will purchase from the Repo Counterparty Collateral Assets with a market value equal to the outstanding aggregate nominal value of the relevant Secured Securities (or part of such nominal value if Partial Nominal Value Collateralisation is applicable). On each repurchase date under such Repurchase Agreement, the Repo Counterparty will repurchase securities equivalent to the Collateral Assets sold by it in relation to such

Collateral Pool on the previous purchase date for a repurchase price at least equal to the purchase price for that Transaction.

*Margin maintenance*

The market value of the Collateral Assets which are the subject of the current Transaction under each Repurchase Agreement will be determined on each Collateral Valuation Date. The Repurchase Agreement will provide that the Repo Counterparty will transfer further Collateral Assets and, as applicable, BNPP B.V. shall re-deliver Collateral Assets to the Repo Counterparty on the basis of the applicable Securities Value and the Collateral Value. The Repo Counterparty may at its sole discretion substitute the Collateral Assets for other Eligible Collateral.

**[FORM OF] FINAL TERMS FOR WARRANTS**

**[The Base Prospectus [expires/will be updated] on 7 June 2018 [and the Issuer intends that the Base Prospectus will be immediately updated thereafter]. The updated base prospectus will be available on the AMF website [www.amf-france.org](http://www.amf-france.org) and at <https://rates-globalmarkets.bnpparibas.com/gm/Public/LegalDocs.aspx>.]<sup>1</sup>**

**FINAL TERMS DATED [●]**

**[BNP Paribas Issuance B.V.]**

*(formerly BNP Paribas Arbitrage Issuance B.V.)*

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

**[BNP Paribas**

*(incorporated in France)  
(as [Issuer] [Guarantor])]*

[insert title of Securities]

under the Note, Warrant and Certificate Programme  
of BNP Paribas Issuance B.V., BNP Paribas and BNP Paribas Fortis Funding

**[BNP Paribas Arbitrage S.N.C.]**  
*(as Manager)]*

Any person making or intending to make an offer of the Securities may only do so[:

- (i) in those Non-exempt Offer Jurisdictions mentioned in Paragraph 47 of Part A below, provided such person is a Manager 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]<sup>2</sup> in circumstances in which no obligation arises for the Issuer or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or 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 Manager 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.]<sup>3</sup>

<sup>1</sup> Include in respect of an issue of Warrants for which the offer spans an update to the Base Prospectus.

<sup>2</sup> Include this wording where a non-exempt offer of Securities is anticipated.

<sup>3</sup> 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.

## 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 7 June 2017 [, [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 Italy in compliance with Article 18 of the Prospectus Directive.]<sup>4</sup> 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 [BNP Paribas Issuance B.V.]/[BNP Paribas] (the "**Issuer**") and [BNP Paribas] (the "**Guarantor**") and the offer 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 these Final Terms]<sup>5</sup> [is/are] available for viewing at [address] [and] [website] and copies may be obtained free of charge at the specified offices of the Security Agents.] The Base Prospectus, [these Final Terms [and the Supplement[s] to the Base Prospectus] will also be available on the AMF website [www.amf-france.org](http://www.amf-france.org)]**

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date. N.B. when using a post – 1 July 2012 approved Base Prospectus to tap a previous issue under a previously approved Base Prospectus, the final terms in the post – 1 July 2012 Base Prospectus may (and will if the previous issue was contemplated under a pre – 1 July 2012 Base Prospectus) take a different form to the final terms used for the original issue being tapped. The Conditions of the original issue being tapped should be reviewed to ensure that they would not require the final terms documenting the further issue to include information which is no longer permitted in final terms. Where the final terms documenting the further issue would need to include such information, it will not be possible to tap using final terms and a drawdown prospectus (incorporating the original Conditions and final terms) will instead need to be prepared.]*

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 [original date] [, [the][each] Supplement[s] to it 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 it 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 [current date]. 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 [current date] [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 [BNP Paribas Issuance B.V.]/[BNP Paribas] (the "**Issuer**") [, BNP Paribas] (the "**Guarantor**") and the offer of the Securities is only available on the basis of the combination of these Final Terms, 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]<sup>6</sup> [is/are] available for viewing at [address] [and] [website] and**

<sup>4</sup> Include for public offers in Italy.

<sup>5</sup> Include in respect of issues of Securities that are listed.

<sup>6</sup> Include in respect of issues of Securities that are listed.

**copies may be obtained from [address]. The Base Prospectus, [these Final Terms [and the Supplement[s] to the Base Prospectus]] will also be available on the AMF website [www.amf-france.org](http://www.amf-france.org).]**

*[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 [date] [, [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 2017 Base Prospectus (each a "**2017 Future Supplement**") which may have been published and approved ([together,] the "**2017 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 "**2018 Future Supplement**") which will replace the 2017 Base Prospectus (the "**2018 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 2017 Base Prospectus, or (ii)] on and after any Publication Date must be read in conjunction with [the 2017 Base Prospectus, as supplemented by any 2017 Future Supplement as at such date] [or, as applicable,] [the 2018 Base Prospectus, as supplemented by any 2018 Future Supplement as at such date], save in respect of the Conditions which are extracted from the 2017 Base Prospectus. The 2017 Base Prospectus, as supplemented, constitutes[, and the 2017 Base Prospectus will constitute,] a base prospectus for the purposes of the Prospectus Directive. Full information on [BNP Paribas Issuance B.V.]/[BNP Paribas] (the "**Issuer**") and the offer of the Securities is only available on the basis of the combination of these Final Terms and [(i) prior to any Publication Date, the 2017 Base Prospectus, or (ii)] [on or after any Publication Date, [the 2017 Base Prospectus, as supplemented by any 2017 Future Supplement as at such date] [or, as applicable,] [the 2018 Base Prospectus, as supplemented by any 2018 Future Supplement as at such date], save in respect of the Conditions which are extracted from the 2017 Base Prospectus. [The Issuer has in the 2017 Base Prospectus given consent to the use of the 2017 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 2017 Base Prospectus. The Issuer will in the 2018 Base Prospectus give consent to the use of the 2018 Base Prospectus in connection with the offer of the Securities.] **The 2017 Base Prospectus, as supplemented, [and these Final Terms]<sup>7</sup> are available[, and the 2018 Base Prospectus will be available] for viewing at [address] [and] [website] and copies may be obtained from [address].] The 2017 Base Prospectus[, [and these Final Terms] [and the Supplement[s] to the 2017 Base Prospectus]] and the 2018 Base Prospectus]] will also be available on the AMF website [www.amf-france.org](http://www.amf-france.org).]**

*[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]*

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<sup>7</sup> Include in respect of issues of Securities that are listed.

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	OF NO. OF SECURITIES	OF NO. OF WARRANTS PER UNIT	ISIN/ [ ] <sup>8</sup>	COMMON CODE	[MNEMONIC CODE]	ISSUE PRICE PER [SECURITY/ UNIT]	[CALL/ PUT]	EXERCISE PRICE	EXERCISE [PERIOD/DAT E]	[SHARE AMOUNT/D EBT SECURITY AMOUNT]	[PARITY]	[Insert other variable]
[●]	[●]	[Up to]	[●]	[●]	[●]	[●]	[[insert currency] [●]]	[call/put]	[[insert currency] [●]]/[Warrant@Work Exercise Price]	[●]	[●]	[●]	[●]
[●]	[●]	[Up to]	[●]	[●] <sup>9</sup>	[●]	[●] <sup>10</sup>	[[insert currency] [●]]	[call/put]	[[insert currency] [●]]/[Warrant@Work Exercise Price]	[●]	[●]	[●]	[●]

(Where the Final Terms cover more than one series of Securities, the table above should be completed for all variables 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: [BNP Paribas Issuance B.V.]/[BNP Paribas]
2. [Guarantor: [BNP Paribas]]
3. Trade Date: [specify]
4. Issue Date: [specify]
5. Consolidation: 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]/[Not applicable]
6. Type of Securities:
  - (a) Warrants
  - (b) The Securities are [Index Securities/Share Securities/ETI Securities<sup>11</sup>/Debt Securities/Commodity Securities<sup>12</sup>/Inflation Index Securities<sup>13</sup>/Currency Securities<sup>14</sup>/Fund Securities<sup>15</sup>/Futures]

<sup>8</sup> DTC: CUSIP – include for U.S. Securities.

<sup>9</sup> Include if applicable.

<sup>10</sup> Only applies where the Securities are listed on Euronext Paris.

<sup>11</sup> ETI Securities or Hybrid Securities containing an ETI component cannot be U.S. Securities unless offered pursuant to an applicable U.S. Wrapper to this Base Prospectus.

<sup>12</sup> Commodity Securities or Hybrid Securities containing a commodity component cannot be U.S. Securities unless offered pursuant to any applicable U.S. Wrapper to this Base Prospectus.

<sup>13</sup> Inflation Index Securities or Hybrid Securities containing an inflation component cannot be U.S. Securities unless offered pursuant to any applicable U.S. Wrapper to this Base Prospectus.

<sup>14</sup> Currency Securities or Hybrid Securities containing a currency component cannot be U.S. Securities unless offered pursuant to any applicable U.S. Wrapper to this Base Prospectus.

<sup>15</sup> Fund Securities or Hybrid Securities containing a fund component cannot be U.S. Securities unless offered pursuant to any applicable U.S. Wrapper to this Base Prospectus.

Securities<sup>16</sup>/Underlying Interest Rate  
Securities/Credit Securities<sup>17</sup>/Hybrid  
Securities<sup>18</sup>/[specify other type of  
Security]].

The Warrants are [European/American/(specify other)]  
Style Warrants. (N.B. Finnish, Swedish and Danish  
Dematerialised Warrants may only be European Style  
Warrants)

Automatic Exercise [applies/does not apply]. (N.B.  
Automatic Exercise may only apply in relation to Cash  
Settled Warrants/Automatic Exercise will always apply to  
CREST Dematerialised Warrants, Swedish  
Dematerialised Warrants, Danish Dematerialised  
Warrants, Finnish Dematerialised Warrants and Italian  
Dematerialised Warrants).

[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.]

[Warrant@Work Warrants Applicable:

Option Hedging Date: [●]

Warrant Exercise Fee: [●]]

Unwind Costs: [Applicable]/[Not applicable]

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<sup>16</sup> Futures Securities or Hybrid Securities containing a Futures component cannot be U.S. Securities unless offered pursuant to an applicable U.S. Wrapper to this Base Prospectus.

<sup>17</sup> Credit Securities or Hybrid Securities related to the credit of a specified reference entity cannot be U.S. Securities unless offered pursuant to any applicable U.S. Wrapper to this Base Prospectus.

<sup>18</sup> Hybrid Securities that contain an ETI, commodity, inflation index, currency, fund or futures component or are linked to the credit of a specified reference entity cannot be U.S. Securities unless offered pursuant to any applicable U.S. Wrapper to this Base Prospectus.

[Essential Trigger: Applicable]

[Waiver of Set-Off: Not applicable]

7. Form of Securities: [Clearing System Global Security]/[Registered Global Security] [Dematerialised bearer form (*au porteur*)<sup>19</sup>] [Rule 144A Global Security]<sup>20</sup> [Private Placement Definitive Security]<sup>21</sup> [Regulation S Global Security] [CREST Dematerialised Securities] [Swedish Dematerialised Securities] [Danish Dematerialised Securities] [Finnish Dematerialised Securities] [Italian Dematerialised Securities] [Swiss Materialised Securities] [Swiss Dematerialised Securities] [Clearing System Global Security – CBF Global Warrant]
8. Business Day Centre(s): The applicable Business Day Centre[s] for the purposes of the definition of "Business Day" in Condition 1 [is/are] [●].
9. Settlement: Settlement will be by way of [cash payment (Cash Settled Securities)] [and/or] [physical delivery (Physical Delivery Securities)]. (*N.B. Swedish Dematerialised Securities, Finnish Dematerialised Securities, Danish Dematerialised Securities, and Italian Dematerialised Securities may only be Cash Settled Securities*)
- [Issuer's Option to Substitute: Not applicable]
10. Rounding Convention for Cash Settlement Amount: [Rounding Convention 1]/[Rounding Convention 2]/[Not applicable]
11. 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.<sup>22</sup> (*N.B. the Issuer's option to vary settlement is not applicable to Swedish Dematerialised Securities, Danish Dematerialised Securities, Finnish Dematerialised Securities or 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 11*)
- (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 Condition 5 will apply to the Securities/The

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<sup>19</sup> If French law-governed.

<sup>20</sup> If U.S. Securities.

<sup>21</sup> If U.S. Securities.

<sup>22</sup> Not applicable for U.S. Securities, unless physical delivery can be in compliance with U.S. Securities laws.



Issuer will procure delivery of the Entitlement in respect of the Securities and the provisions of Condition 5 will not apply to the Securities. Any Physical Delivery for U.S. Securities must be made in compliance with the Securities Act and the Exchange Act.]

## 12. Final Payout

### [ETS Payouts

#### **[Investment Products:**

#### **[Yield Enhancement Products:**

[ETS Final Payout 1200

*[Insert related provisions from Conditions.]]*

[ETS Final Payout 1240/4

*[Insert related provisions from Conditions.]]*

[ETS Final Payout 1250/1

*[Insert related provisions from Conditions.]]*

[ETS Final Payout 1250/4

*[Insert related provisions from Conditions.]]*

[ETS Final Payout 1250/6

*[Insert related provisions from Conditions.]]*

[ETS Final Payout 1250/7

*[Insert related provisions from Conditions.]]]*

#### **[Participation Products:**

[ETS Final Payout 1300]

*[Insert related provisions from Conditions.]]*

[ETS Final Payout 1320/1

*[Insert related provisions from Conditions.]]*

[ETS Final Payout 1320/3

*[Insert related provisions from Conditions.]]*

[ETS Final Payout 1399

*[Insert related provisions from Conditions.]]]]*

#### **[Leverage Products:**

[ETS Final Payout 2100

*Insert related provisions from Conditions.]]*

[ETS Final Payout 2110/1

*[Insert related provisions from Conditions.]]*

[ETS Final Payout 2110/2

*[Insert related provisions from Conditions.]]*

[ETS Final Payout 2110/3

**[SPS Payouts**

*[Insert related provisions from Conditions.]]*

[ETS Final Payout 2110/4

*[Insert related provisions from Conditions.]]*

[ETS Final Payout 2200/1

*[Insert related provisions from Conditions.]]*

[ETS Final Payout 2200/2

*[Insert related provisions from Conditions.]]]*

**[Constant Leverage Products:**

[ETS Final Payout 2300/1

*[Insert related provisions from Conditions]]*

**[SPS Fixed Percentage Securities:**

*[Insert formula and other related provisions from Payout Conditions]]*

**[SPS Reverse Convertible Securities:**

[SPS Reverse Convertible Securities:

*[Insert formula, relevant value(s) and other related provisions from Payout Conditions.]]*

[SPS Reverse Convertible Standard Securities:

*[Insert formula, relevant value(s) and other related provisions from Payout Conditions.]]*

**[SPS Vanilla Products:**

[Vanilla Call Securities:

*[Insert formula, relevant value(s) and other related provisions from Payout Conditions.]]*

[Vanilla Call Spread Securities:

*[Insert formula, relevant value(s) and other related provisions from Payout Conditions.]]*

[Vanilla Put Securities:

*[Insert formula, relevant value(s) and other related provisions from Payout Conditions.]]*

[Vanilla Put Spread Securities:

*[Insert formula, relevant value(s) and other related provisions from Payout Conditions.]]*

[Vanilla Digital Securities:

*[Insert formula and other related provisions from Payout Conditions.]]*

[[Knock-in / Knock-out] Vanilla Call Securities:

*[Insert formula, relevant value(s) and other related*

*provisions from Payout Conditions.]]*

**[Asian Products:**

[Asian Securities:

*[Insert formula, relevant value(s) and other related provisions from Payout Conditions.]]*

[Asian Spread Securities:

*[Insert formula, relevant value(s) and other related provisions from Payout Conditions.]]*

[Himalaya Securities:

*[Insert formula, relevant value(s) and other related provisions from Payout Conditions.]]*

**[Auto-Callable Products:**

[Autocall Securities:

*[Insert formula, relevant value(s) and other related provisions from Payout Conditions.]]*

[Autocall Standard Securities:

*[Insert formula, relevant value(s) and other related provisions from Payout Conditions.]]*

[Autocall One Touch Securities:

*[Insert formula, relevant value(s) and other related provisions from Payout Conditions.]]*

**[Indexation Products:**

[Certi Plus: Booster Securities:

*[Insert formula, relevant value(s) and other related provisions from Payout Conditions.]]*

[Certi Plus: Bonus Securities:

*[Insert formula, relevant value(s) and other related provisions from Payout Conditions.]]*

[Certi Plus: Leveraged Securities:

*[Insert formula, relevant value(s) and other related provisions from Payout Conditions.]]*

[Certi Plus: Twin Win Securities:

*[Insert formula, relevant value(s) and other related provisions from Payout Conditions.]]*

[Certi Plus: Super Sprinter Securities:

*[Insert formula, relevant value(s) and other related provisions from Payout Conditions.]]*

[Certi Plus: Generic Securities:

*[Insert formula, relevant value(s) and other related*

*provisions from Payout Conditions.]]*

[Certi Plus: Generic Knock-in Securities:

*[Insert formula, relevant value(s) and other related provisions from Payout Conditions.]]*

[Certi Plus: Generic Knock-out Securities:

*[Insert formula, relevant value(s) and other related provisions from Payout Conditions.]]*

**[Ratchet Securities:**

*[Insert formula, relevant value(s) and other related provisions from Payout Conditions.]]*

**[Sum Securities:**

*[Insert formula and related provisions from Payout Conditions.]]*

**[Option Max Securities:**

*[Insert formula and related provisions from Payout Conditions.]]*

**[Stellar Securities:**

*[insert Formula, relevant value(s) and related provisions from Payout Conditions.]]*

**[Driver Securities:**

*[Insert Formula, relevant value(s) and related provisions from Payout Conditions.]]*

[Maximum Final Payout: [●]/Not applicable]

[Minimum Final Payout: [●]/Not applicable]

**[FI Payouts**

**[FI FX Vanilla Securities:**

*[Insert formula and related provisions from Payout Conditions.]]*

**[FI Digital Floor Securities:**

*[Insert formula, relevant value(s) and other related provisions from Payout Conditions.]]*

**[FI Digital Cap Securities:**

*[Insert formula, relevant value(s) and other related provisions from Payout Conditions.]]*

**[FI Digital Plus Securities:**

*[Insert formula, relevant value(s) and other related provisions from Payout Conditions.]]*

**[FI Inflation Securities:**

*[Insert formula and related provisions from Conditions.]]*

Reference Value: [[currency]][amount]/[Not applicable]]

Aggregation: [Applicable / Not applicable]

[Not Applicable. Cash Settlement Amount: [●]][As per Credit Security Conditions]

**13.** 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)*

**14.** Entitlement: [Applicable/Not applicable/Physical Delivery Option [1/2/3]]

(a) [The Entitlement Amount in relation to each Security is:

[Delivery of Worst-Performing Underlying applicable:

*[Insert formula, relevant value(s) and related provisions from Payout Conditions.]]*

[Delivery of Best-Performing Underlying applicable:

*[Insert formula, relevant value(s) and related provisions from Payout Conditions.]]*

[Delivery of the Underlying:

*[Insert formula, relevant value(s) and related provisions from Payout Conditions.]]*

[Parity Entitlement Amount]]

(b) [The Entitlement will be evidenced by *[insert details of how the Entitlement will be evidenced].*]

(c) [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)*

15. Exchange Rate: The applicable rate of exchange for conversion of any amount into the relevant settlement currency for the purposes of determining the Settlement Price (as defined in the relevant Annex to the Terms and Conditions)[.] [or] the Cash Settlement Amount (as defined in Condition 1)[.] [or] [the Automatic Early Expiration Payout Amount (as defined in Condition 24.12)] is *[insert rate of exchange and details of how and when such rate is to be ascertained]/[specify]/[Not applicable]*.
16. Settlement Currency: The settlement currency for the payment of [the Cash Settlement Amount] *(in the case of Cash Settled Securities)*/[the Disruption Cash Settlement Price] *(in the case of Physical Delivery Securities)* is [●].
17. Syndication: The Securities will be distributed on a [non-]syndicated basis.  
*[if syndicated, specify names of the Managers]*
18. Minimum Trading Size: *[specify]/[Not applicable]*
19. Principal Security Agent: [BNP Paribas Securities Services, Luxembourg Branch]/[BNP Paribas Arbitrage S.N.C.]/ [BNP Paribas Securities Services]/*[specify other]*<sup>23</sup>
20. Registrar: [BNP Paribas Securities Services, Luxembourg Branch]/[BNP PARIBAS Securities (Japan) Limited][ADDRESS][Not applicable]<sup>24</sup>
21. Calculation Agent: [BNP Paribas]/[BNP Paribas Arbitrage S.N.C.]/*[specify other]*[ADDRESS].
22. Governing law: [English/French] law<sup>25</sup>
23. *Masse* provisions<sup>26</sup> (Condition 9.4): [Applicable] / [Not Applicable] *[If applicable, insert below details of Representative and alternate Representative and remuneration, if any:*  
[Name and address of the Representative: [ ]]  
Name and address of the alternate Representative: [ ]]  
*[The Representation will receive no remuneration./The Representative will receive a remuneration of [ ].]*

## PRODUCT SPECIFIC PROVISIONS

24. Hybrid Securities: [Applicable/Not applicable]

<sup>23</sup> Any local agent shall be specified in Part B of the Final Terms.

<sup>24</sup> Include in the case of Registered Securities.

<sup>25</sup> Securities issued by BNPP and BNPP B.V. may be governed by French law.

<sup>26</sup> If French law-governed.

[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"]]*

**25.** Index Securities:

[Applicable/Not applicable]

- (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.]<sup>27</sup>

[The [●] Index is a Custom Index]<sup>28</sup>

[The [●] Index is a Connected Third Party Index.]<sup>29</sup>

- (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]
- (f) Scheduled Trading Day: [Single Index Basis/All Indices Basis/Per Index Basis]
- (must match election made for Exchange Business Day)
- (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]. (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 9 (Futures Price Valuation) applies]
- (i) Specified Maximum Days of Disruption: [As defined in Condition 1]/[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 Scheduled Closing Time each as defined in Condition 1.] [specify].]
- (N.B. If no Valuation Time is specified, the Valuation Time will be the Scheduled Closing Time as defined in Condition 1. Not applicable in the case of Custom Indices).
- [As per the Conditions]/[●], being the time specified on the last Valuation Date or an Averaging Date or Observation Date as the case may be, for the calculation of the Settlement Price (N.B. Only applicable in the case of Custom Indices).]
- (k) Index Correction Period: [As per Conditions/specify]

<sup>27</sup> Specify each Component Security Index and/or Multi-Exchange Index (if any).

<sup>28</sup> Specify each Custom Index (if any).

<sup>29</sup> Specify each Connected Third Party Index (if any).



- (l) Cancellation on Occurrence of an Index Adjustment Event: [Highest Value: [Applicable/Not applicable]]  
[Market Value: [Applicable/Not applicable]]  
  
[If Highest Value is applicable: Protected Amount: [specify]]  
  
[If the Calculation Agent determines an Index Adjustment Event constitutes a force majeure, Index Security Condition 3.2(c)(iii) applies]
- (m) Additional provisions applicable to Custom Indices: [Applicable/Not applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Screen Page: [specify]
- (ii) Custom Index Business Day: [All Indices Basis/Per Index Basis/Single Index Basis]
- (iii) Scheduled Custom Index Business Day: [All Indices Basis/Per Index Basis/Single Index Basis]  
*(N.B. Must match election made for Custom Index Business Day)*
- (iv) Custom Index Correction Period: [As per Conditions/specify]
- (v) Custom Index Disruption Event: [[Specified Maximum Days of Disruption will be equal to: [●]]/[As per Conditions]]  
  
*(If no Specified Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to twenty).*
- (vi) Cancellation on Occurrence of a Custom Index Adjustment Event: [Highest Value: [Applicable/Not applicable]]  
[Market Value: [Applicable/Not applicable]]  
  
[If Highest Value is applicable: Protected Amount: [specify]]  
  
[If the Calculation Agent determines a Custom Index Adjustment Event constitutes a force majeure, Index Security Condition 6.2[(a)/(b)/(c)](ii)(D)III applies]
- (n) Additional provisions applicable to 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 9.2 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]/[specify]*
- (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) Cancellation on Non-Commencement or Discontinuance of an Exchange-traded Contract: *[Highest Value: [Applicable/Not applicable]]*  
*[Market Value: [Applicable/Not applicable]]*  
*[If Highest Value is applicable: Protected Amount: [specify]]*  
*[If the Calculation Agent determines a Custom Index Adjustment Event constitutes a force majeure, Index Security Condition [9.2(c)] [and] [9.4(c)] applies]*

**26. Share Securities:** *[Applicable/Not applicable]*

- (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]<sup>30</sup>*
- (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]*

<sup>30</sup>

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).

(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] <i>(must match election made for Exchange Business Day)</i>
(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]]
(k)	Specified Maximum Days of Disruption:	[As defined in Condition 1]/[specify] Scheduled Trading Days].
(l)	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 Condition 1.] [specify] (N.B. If no Valuation Time is specified, the Valuation Time will be the Scheduled Closing Time as defined in Condition 1)]
(m)	Share Correction Period	[As per Conditions/specify]
(n)	Dividend Payment:	[Applicable/Not applicable]
(o)	Listing Change:	[Applicable/Not applicable]
(p)	Listing Suspension:	[Applicable/Not applicable]
(q)	Illiquidity:	[Applicable/Not applicable]
(r)	Tender Offer:	[Applicable/Not applicable] <sup>31</sup>
(s)	CSR Event:	[Applicable/Not applicable]
(t)	Hedging Liquidity Event:	[Applicable/Not applicable]  [Maximum Hedging Liquidity Level: [[●] per cent.]/[As per Conditions]]
(u)	Cancellation on Occurrence of an Extraordinary Event:	[Highest Value: [Applicable/Not applicable]]  [Market Value: [Applicable/Not applicable]]  [If Highest Value is applicable: Protected Amount: [specify]]  [If the Calculation Agent determines an Extraordinary

<sup>31</sup> Only to be disapplied for Tokyo EQD Securities.

Event constitutes a force majeure, Share Security Condition 4.2(b)(iii) or 4.2(c)(iii) applies]

- 27. ETI Securities** [Applicable/Not applicable]
- (a) ETI/ETI Basket: [specify]
  - (b) ETI Interest(s): [insert type of ETI Interest(s)]
  - (c) ETI Related Party: [As per Conditions]/[specify]
  - (d) ETI Documents: [As per Conditions]/[specify]
  - (e) Exchange(s): [specify]/[Not applicable]
  - (f) Related Exchange: [specify]/[All Exchanges]/[Not applicable]
  - (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 Conditions]/[specify]
  - (j) Initial Calculation Date: [specify]/[Not applicable]
  - (k) Final Calculation Date: [specify]/[Not applicable]
  - (l) Hedging Date: [specify]
  - (m) Investment/AUM Level: [As per Conditions]/[specify]
  - (n) Value per ETI Interest Trading Price Barrier: [As per Conditions]/[specify]
  - (o) Number of Value Publication Days: [[●] calendar days] [[●] Value Business Days]  
[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 Conditions]/[specify]
  - (q) Value Trigger Period: [As per Conditions]/[specify]
  - (r) Basket Trigger Level: [As per Conditions]/[specify]
  - (s) Settlement Price/Closing Price: [Official closing price]/[Value per ETI Interest]
  - (t) Weighting: The Weighting to be applied to each ETI Interest comprising the ETI Basket is [specify]
  - (u) Valuation Time: [specify]
  - (v) Specified Maximum Days of [As per Conditions]/[specify]

Disruption:

- (w) Additional Extraordinary ETI Event(s): [specify]
- (x) Maximum Stock Loan Rate: [The Maximum Stock Loan Rate in respect of [specify in relation to each relevant ETI Interest] is [●].]
- (y) ETI Interest Correction Period: [specify]
- (z) Termination Amount: As per Conditions
- (aa) Termination Date: [specify]

**28. Debt Securities:** [Applicable/Not applicable]

- (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: [[As defined in Condition 1]/[specify] Scheduled Trading Days.] [Not applicable] (Not applicable if Futures Price Valuation applicable)

- (g) Debt Instrument Correction Period: [As per the Conditions]/[ ]/[Not applicable]

(Not applicable if Futures Price Valuation applicable)

- (h) Debt Instrument Issuer: [ ]/[Not applicable]

(Not applicable if Futures Price Valuation applicable)

- (i) 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.]

- (j) Additional provisions applicable to 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) Daily Settlement Price Correction Period: [As per the Conditions]/[Specify]

- 29.** Commodity Securities: [Applicable/Not applicable]
- (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 [●]<sup>32</sup>
- (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 Conditions]

<sup>32</sup> Delete if using automated Commodity Reference Prices.

- (k) Valuation Time: [Continuous monitoring *[specify other]* and the relevant time on *[insert relevant date(s)]*./[*specify*]
- (l) Specified Maximum Days of Disruption: [*specify*] [[●] Commodity Business Days]<sup>33</sup>/[As per Conditions]
- (m) Weighting: The Weighting to be applied to each item comprising the Commodity Basket is [*specify*]
- (n) Rolling Futures Contract Securities: [Yes/No]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)
- Futures Rollover [Date/Period]: [Not applicable]/[*specify*]
- (o) Cancellation following Market Disruption Event or Commodity Index Adjustment Event: [Highest Value]/[Market Value]
- [If Highest Value is applicable: Protected Amount: [*specify*]]
- [If the Calculation Agent determines a Market Disruption Event or Commodity Index Adjustment Event constitutes a force majeure, Commodity Security Condition 3(c)(iii) or 4(b)(iii), respectively, applies]
- 30.** Inflation Index Securities: [Applicable/Not applicable]
- (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]
- (c) Issuer of Related Bond: [Applicable/Not applicable] [If applicable, *specify*]
- (d) Fallback Bond: [Applicable/Not applicable]
- (e) Related Bond Redemption Event: [Applicable/Not applicable] [If applicable, *specify*]
- (f) Substitute Inflation Index Level: [As determined in accordance with Annex 7] [*specify*].
- (g) Cut-off Date: In respect of a [Valuation Date], the day that is [*specify*] Business Days prior to such [Valuation Date].
- (h) Reference Month: [*specify*]
- (i) Currency Adjustment: [Applicable/Not applicable]
- (j) Inflation Index Level Adjustment: [Applicable/Not applicable]
- (k) Index Cancellation: [Highest Value]/[Market Value]
- [If Highest Value is applicable: Protected Amount:

<sup>33</sup>

Only applicable in respect of Commodity Securities linked to a single Commodity.

[specify]]

[If the Calculation Agent determines an Index Cancellation constitutes a force majeure, Inflation Index Security Condition 4.7(b)(iii) applies]

**31. Currency Securities:**

[Applicable/Not applicable]

(a) Relevant Screen Page: [specify]

(b) The relevant base currency (the "Base Currency") is: [specify]

(c) The relevant subject [specify]  
[currency/currencies] ([the]/[each a]  
"Subject Currency") [is/are]:

(d) Weighting: [specify]

(e) Price Source: [specify]

(f) Specified Maximum Days of [specify]/[five] Scheduled Trading Days  
Disruption:

(g) Settlement Price: [specify]

(h) Valuation Time: [specify]

(i) Additional provisions applicable to [Applicable/Not applicable]  
Futures Price Valuation:

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

(i) Rolling Futures Contract [Yes/No]  
Securities:

(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 [specify]/[Not applicable]  
Contract:

*(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) Daily Settlement Price [As per the Conditions]/[specify]  
Correction Period:

**32.** Fund Securities: [Applicable/Not applicable]

(a) Fund/Fund Basket/Fund Index/Fund [specify Fund/Fund Basket/Fund Index/Fund Indices]  
Indices:

[The Fund Index Sponsor[s] of the Fund [Index/Indices  
[is/are] [●]]

[Fund Index Currency: [specify]]

[The [●] Fund is a Mutual Fund]

[The [●] Fund is a Hedge Fund]

[The [●] Fund is a Private Equity Fund]

[SC/FM Fund Events: Applicable]

(b) Fund Share(s): [specify]

(c) Fund Documents: [As per Conditions]/[specify]

(d) Fund Business Day: [All Fund Share Basis/Per Fund Share Basis/Single Fund  
Share Basis]

(e) Maximum Days of Disruption: [As per Conditions]/[specify]

(f) Fund Service Provider: [As per Conditions]/[specify]

(g) Calculation Date(s): [As per Conditions]/[specify]

(h) Initial Calculation Date: [As per Conditions]/[specify]

(i) Final Calculation Date: [specify]

(j) Hedging Date: [specify]

(k) AUM Level: [As per Conditions]/[specify]

(l) NAV Trigger Percentage: [As per Conditions]/[specify]

(m) NAV Trigger Period: [specify]

(n) Number of NAV Publication Days: [As per Conditions]/[specify]

(o) Basket Trigger Level: [As per Conditions]/[specify]

(p) Termination Amount: [As per Conditions]/[Highest Value]/[Market Value]

[If Highest Value is applicable: Protected Amount:  
[Specify]]

[Fund Event Force Majeure: Applicable]

(q) Termination Date: [specify]

(r) Delayed Payment Cut-off Date: [As per Conditions]/[specify]

(s) [Weighting: The Weighting to be applied to each Fund Share comprising the Fund Basket is [specify]]

(t) Cancellation on Occurrence of a Fund Index Adjustment Event: [Highest Value: [Applicable/Not applicable]]  
[Market Value: [Applicable/Not applicable]]

[If Highest Value is applicable: Protected Amount:  
[specify]]

[If the Calculation Agent determines a Fund Index Adjustment Event constitutes a force majeure, Fund Security Condition 6(d)(iii) applies]

33. Futures Securities: [Applicable/Not applicable]

(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) 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)]

(f) Specified Maximum Days of Disruption: [As defined in Condition 1]/[specify] Scheduled Trading Days].

(g) 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 Condition 1.] [specify] (N.B. If no Valuation Time is specified, the Valuation Time will be the Scheduled Closing Time as defined in Condition 1))]

(h) Futures Correction Period: [As per Conditions/specify]

(i) Cancellation on Occurrence of Futures [Highest Value: [Applicable/Not applicable]]

Adjustment Event:

[Market Value: [Applicable/Not applicable]]

[If Highest Value is applicable: Protected Amount:  
[specify]]

[If the Calculation Agent determines a Futures Adjustment Event constitutes a force majeure, Futures Security Condition 3.1(b)(iii) applies]

**34. Credit Securities:**

[Applicable/Not applicable]

[Notional Amount per Credit Security = [currency]  
[amount]]

[Part A]/[Part B] of the Credit Security Conditions Shall apply.

(a) Type of Security:

[Single Reference Entity Credit Security]

[Nth-to-Default Credit Security]

N: [●]

Multiple Default Triggers: [Applicable/Not applicable]

M: [●]

Substitution: [Not applicable] [Applicable]

[Basket Credit Security]

[Other]

(b) Transaction Type:

[●] [As specified in Annex 12 (*Annex for Credit Securities*)] to the Final Terms] [As specified in the Relevant Annex]]

(c) Scheduled Termination Date:

[●]

(d) Party responsible for making calculations and determinations pursuant to the Credit Security Conditions (if no Calculation Agent):

[●]

(e) Reference Entity:

[●] [As specified in the Relevant Annex]

(f) Reference Entity Notional Amount:

[●] [As per the Credit Security Conditions] [As specified in Annex 12 (*Annex for Credit Securities*)] to the Final Terms] [As specified in the Relevant Annex]

Relevant Annex: [Applicable: [●]] [Not applicable]

Index Sponsor: [Applicable: [●]] [Not applicable]

(g) Reference Entity Weighting:

[●] [As specified in Annex 12 (*Annex for Credit*

		Securities) to the Final Terms] [As specified in the Relevant Annex][Not applicable]
(h)	Reference Obligation(s):	
	The obligation identified as follows (the " <b>Underlying Bond</b> "):	[Applicable/Not applicable/[●]/[As specified in Annex 12 ( <i>Annex for Credit Securities</i> ) to the Final Terms] [As specified in the Relevant Annex]
	Primary Obligor:	[●]
	Guarantor:	[●]
	Maturity:	[●]
	Coupon:	[●]
	ISIN:	[●]
	Seniority Level:	[Senior Level][Subordinated Level][●][Not applicable]
	Original Issue Amount:	[●]
		[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]
(i)	Standard Reference Obligation:	[Applicable/Not applicable/[●]/[As specified in Annex 12 ( <i>Annex for Credit Securities</i> ) to the Final Terms] [As specified in the Relevant Annex]]
(j)	Settlement Method:	[Auction Settlement] [Cash Settlement] [: Final Price: [●]] [Minimum Quotation Amount: [●]]  [Payment Requirement: [●]]  [Credit Unwind Costs: [Not applicable] [●][Standard Credit Unwind Costs: Applicable]] [Delete if Credit Unwind Costs are applicable]  Final Price: [●][As per the Credit Security Conditions]
(k)	Fallback Settlement Method:	[Cash Settlement]
(l)	Settlement at Maturity:	[Applicable] [Not applicable]
(m)	Settlement Currency:	[●] [As per the Credit Security Conditions]
(n)	Merger Event:	[Credit Security Condition 2(c): Applicable] [Not

- applicable]
- (If Applicable):*
- [Merger Event Redemption Date: [●]]
- (o) Credit Observation Period End Date: [Applicable: [●]/Not applicable]
- (p) CoCo Supplement: [Applicable/Not applicable]
- (Delete if CoCo Supplement is not applicable)*
- [Trigger Percentage: [●] [As specified in Annex 12 (*Annex for Credit Securities*) to the Final Terms] [As specified in the Relevant Annex] [As per the Credit Security Conditions]]
- (q) LPN Reference Entities: [Applicable/Not applicable/[●]/[As specified in Annex 12 (*Annex for Credit Securities*) to the Final Terms] [As specified in the Relevant Annex]
- (r) Terms relating to Cash Settlement: [As per the Credit Security Conditions] [Not applicable] [Specify variations or additions to Credit Security Conditions]
- (s) Additional provisions: [●] [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]
- [In respect of [*specify relevant Reference Entity*], Trigger Percentage: [●] [As per the Credit Security Conditions]] *[Delete if CoCo Supplement is not applicable]*
- (t) Additional Credit Linked Security Disruption Events: [The following Additional Credit Linked Security Disruption Events apply:][Not applicable]
- (Specify each of the following of which applies)*
- [Change in Law]
- [Hedging Disruption]
- [Increased Cost of Hedging]
- (u) Credit Event Backstop Date [As per the Credit Security Conditions] [The date that is 60 calendar days prior to the Trade Date] [Issue Date] [Other]
- (v) Additional terms relating to Credit Securities: [Applicable/Not applicable]

[Relevant Annex: [●]]

Index Sponsor: [●]

Any other terms or provisions: [●]]

**35. 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<sub>1</sub>:")*

- (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)*

- (i) [Underlying Reference Rate: [specify] *(Either LIBOR, EURIBOR or other)*

- (ii) 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)*

- (iii) Relevant Screen Page: [specify]]

- (B) ISDA Determination [Applicable/Not applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- (i) [Floating Rate Option: [specify]

- (ii) Designated Maturity: [specify]

- (iii) Reset Date: [specify]]

- (c) Underlying Margin(s): [+/-][●] per cent. per annum

- (d) Minimum Underlying Reference Rate: [●] per cent. per annum

- (e) 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<sub>2</sub>:" and repeat items 35(b) to (e).*

*Repeat for each Underlying Interest Rate.)*

36. This item is intentionally left blank.

37. This item is intentionally left blank.

38. Illegality (Security Condition 7.1) and Force Majeure (Security Condition 7.2):  
Illegality: [[Highest Value]/[Market Value] applicable]/[Cancellation in accordance with Security Condition 7.1(c)]

*[If Highest Value is applicable: Protected Amount: [Specify]]*

Force Majeure: cancellation in accordance with Security Condition [7.2(a)]/[7.2(b)]

39. 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) [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. Careful consideration should be given to any Additional Disruption Events and/or Optional Additional Disruption Events in the case of U.S. Securities)*

[Not applicable]

[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]

[Failure to Deliver due to Illiquidity]

[Significant Alteration Event]

[Hedging Party Default]

*(N.B. Only applicable in the case of Physical Delivery Securities that are not U.S. 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) Cancellation

[Highest Value: [Applicable/Not Applicable]]

[Market Value: [Applicable/Not Applicable]]

[If Highest Value is applicable: Protected Amount: [specify]]



40. Knock-in Event<sup>34</sup>: [Applicable/Not applicable]
- [If applicable:
- [specify]/["greater than"/"greater than or equal to"/"less than"/"less than or equal to"/"within"]]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (a) SPS Knock-in Valuation: [Applicable/Not applicable]
- [If applicable insert relevant provisions from Conditions]
- [If SPS Knock-in Valuation is not applicable and the Securities are Currency Securities, specify if FX Knock-in Valuation is applicable.]*
- [If FX Knock-in Valuation is applicable, insert relevant provisions from Conditions.]*
- [FX Coupon Performance: [Applicable/Not applicable]]
- [Performance Value: [Applicable/Not applicable]]
- (b) Level: [Official level]/[Official close]/[last price]/[traded price]/[bid price]/[asked price]/[Standard Level]/[Not applicable]
- (c) Knock-in Level/Knock-in Range Level: [specify]/[FX Knock-in Level]
- [If FX Knock-in Level is specified insert relevant provisions from Conditions]*
- (d) Knock-in Period Beginning Date: [specify]
- (e) Knock-in Period Beginning Date Day Convention: [Applicable/Not applicable]
- (f) Knock-in Determination Period: [specify]/[See definition in Condition 16]
- (g) Knock-in Determination Day(s): [specify]/[Each [Scheduled Trading Day/ Scheduled Custom Index Business Day/ Commodity Business Day/Fund Business Day/Business Day] in the Knock-in Determination Period]
- (h) Knock-in Period Ending Date: [specify]
- (i) Knock-in Period Ending Date Day Convention: [Applicable/Not applicable]
- (j) Knock-in Valuation Time: [specify/See definition in Condition 16]/[Valuation

<sup>34</sup>

Only applicable in relation to Index Securities, Share Securities, ETI Securities, Commodity Securities, Currency Securities, Debt Securities and Futures Securities.

	Time]/[Any time on a Knock-in Determination Day]/[Not applicable]
(k) Knock-in Observation Price Source:	[specify]
(l) Disruption Consequences:	[Applicable/Not applicable]
<b>41.</b> Knock-out Event <sup>35</sup> :	[Applicable/Not applicable]
	[If applicable:
	[specify]/["greater than"/"greater than or equal to"/"less than"/"less than or equal to"]]
	<i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(a) SPS Knock-out Valuation:	[Applicable/Not applicable]
	<i>[If applicable insert relevant provisions from Conditions]</i>
	<i>[If SPS Knock-out Valuation is not applicable and the Securities are Currency Securities, specify if FX Knock-out Valuation is applicable.]</i>
	<i>[If FX Knock-out Valuation is applicable, insert relevant provisions from Conditions.]</i>
	[FX Coupon Performance: [Applicable/Not applicable]]
	[Performance Value: [Applicable/Not applicable]]
(b) Level:	[Official level]/[Official close]/[last price]/[traded price]/[bid price]/[asked price]/[Standard Level]/[Not applicable]
(c) Knock-out Level /Knock-out Range Level:	[specify][FX Knock-out Level]
	<i>[If FX Knock-out Level is specified insert relevant provisions from Conditions]</i>
(d) Knock-out Period Beginning Date:	[specify]
(e) Knock-out Period Beginning Date Day Convention:	[Applicable/Not applicable]
(f) Knock-out Determination Period:	[specify]/[See definition in Condition 16]
(g) Knock-out Determination Day(s):	[specify]/[Each [Scheduled Trading Day/ Scheduled Custom Index Business Day/ Commodity Business Day/Fund Business Day/Business Day] in the Knock-out Determination Period]

<sup>35</sup>

Only applicable in relation to Index Securities, Share Securities, ETI Securities, Commodity Securities, Currency Securities, Debt Securities and Futures Securities.

- (h) Knock-out Period Ending Date: [specify]
- (i) Knock-out Period Ending Date Day Convention: [Not applicable/Applicable]
- (j) Knock-out Valuation Time: [specify]/[See definition in Condition 16] [Any time on a Knock-out Determination Day]/[Valuation Time]/[Not applicable]
- (k) Knock-out Observation Price Source: [specify]
- (l) Disruption Consequences: [Applicable/Not applicable]

## 42. EXERCISE, VALUATION AND SETTLEMENT

- (a) Units: Warrants must be exercised in Units. Each Unit consists of the number of Warrants set out in "Specific Provisions for each Series" above. *(N.B. This is in addition to any requirements relating to "Minimum Exercise Number" or "Maximum Exercise Number" as set out below).*
- (b) Minimum Exercise Number: The minimum number of Warrants that may be exercised (including automatic exercise) on any day by any Holder is [●] [and Warrants may only be exercised (including automatic exercise) in integral multiples of [●] Warrants in excess thereof].
- (c) [Maximum Exercise Number: The maximum number of Warrants that must be exercised on any day by any Holder or group of Holders (whether or not acting in concert) is [●]. *(N.B. not applicable for European Style Warrants (and therefore generally not available for Finnish, Swedish and Danish Dematerialised Warrants))*]
- (d) Exercise Price(s): The exercise price(s) per [Warrant/Unit] (which may be subject to adjustment in accordance with Annex 3 in the case of Share Securities and Annex 2 in the case of Index Securities and Annex 6 in the case of Commodity Securities) is set out in "Specific Provisions for each Series" above. *(N.B. This should take into account any relevant Weighting and, in the case of an Index Security, must be expressed as a monetary value).*
- (e) [Exercise Date: The exercise date of the Warrants is set out in "Specific Provisions for each Series" above, provided that, if such date is not an Exercise Business Day, the Exercise Date shall be the immediately succeeding Exercise Business Day. *(N.B. Only applicable in relation to European Style Warrants).*]
- (f) [Exercise Period: The exercise period in respect of the Warrants is set out in "Specific Provisions for each Series" above, [inclusive of

the dates specified] [, or if either day specified is not an Exercise Business Day, the immediately succeeding Exercise Business Day]. *(N.B. Only applicable in relation to certain American Style Warrants).]*

- (g) [Renouncement Notice Cut-off Time:<sup>36</sup> [10.00 a.m. (Milan time)/5.00 p.m. (Milan time)]<sup>37</sup>
- (h) Valuation Date: [The Valuation Date shall be the Actual Exercise Date of the relevant Warrant, subject to adjustments in accordance with Condition 19]/[The Valuation Date shall be the first Scheduled Trading Day following the Actual Exercise Date of the relevant Warrant, subject to adjustments in accordance with Condition 19]/[specify]/[As per the Fund Security Conditions]. *(N.B. specify if different from the definition in Condition 19.)*
- [Currency Convention: [As per Conditions]/[Preceding Currency Convention]/[Modified Following Currency Convention]] *(N.B. Only applicable to Currency Securities)*
- (i) Strike Date: [specify] *(N.B. Only relevant for certain Index, Share, and Currency Securities)*
- [Currency Convention: [As per Conditions]/[Preceding Currency Convention]/[Modified Following Currency Convention]] *(N.B. Only applicable to Currency Securities)*
- (j) Averaging: Averaging [applies/does not apply] to the Warrants. [The Averaging Dates are [specify].] *(Not applicable to Inflation Index Securities)*
- [Currency Convention: [As per Conditions]/[Preceding Currency Convention]/[Modified Following Currency Convention]] *(N.B. Only applicable to Currency Securities)*
- [In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement] (as defined in Condition 19) will apply.] *(N.B. Not applicable to Index Securities relating to a Custom Index or Commodity Securities)]*
- (k) Observation Dates: [specify]/[Not applicable]
- [Currency Convention: [As per Conditions]/[Preceding Currency Convention]/[Modified Following Currency Convention]] *(N.B. Only applicable to Currency Securities)*

<sup>36</sup> Complete in the case of Warrants listed on the Italian Stock Exchange.

<sup>37</sup> 10.00 a.m. (Milan time) where the Underlying are Shares listed in Italy or indices managed by Borsa Italiana, or otherwise 5.00 p.m.

- [In the event that an Observation Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply.] (*N.B. Not applicable to Index Securities relating to a Custom Index or Commodity Securities*) [Observation Day Disruption Consequences are not applicable.]
- (l) Observation Period: [specify]/[Not applicable]
- (m) Settlement Date: [specify]/[As per Conditions]
- ["**Settlement Business Day**" for the purposes of Condition 5.1 means [specify].
- (*N.B. Only applicable in the case of Physical Delivery Warrants*)
- (n) Automatic Early Expiration: [Applicable / Not applicable]
- (*if not applicable, delete the remaining sub-paragraphs of this paragraph*)
- [If applicable: ["greater than" / "greater than or equal to" / "less than" / "less than or equal to"]
- [AER Knock-out: [Knock-out Event]/[Knock-in Event]
- [Insert formula, relevant value(s) and other related provisions from Conditions.]
- (a) Automatic Early Expiration Level: [specify]
- (b) Automatic Early Expiration Valuation Time: [specify]
- (c) Automatic Early Expiration Payout: [SPS Automatic Early Redemption Payout  
[Insert formula, relevant value(s) and other related provisions from Payout Conditions]
- [Automatic Early Redemption Payout 2200/1]
- [Automatic Early Redemption Payout 2200/2]  
[Insert formula, relevant value(s) and other related provisions from Payout Conditions.]
- [FI Underlying Early Redemption Payout]  
[Insert formula, relevant value(s) and other related provisions from Payout Conditions.]
- (d) AER Exit Rate: [Not applicable]
- [AER Rate  
[Insert relevant provisions from Conditions.]]

[AER Athena up Rate  
*[Insert formula, relevant value(s) and related provisions from Payout Conditions.]*]

- (e) Automatic Early Expiration Valuation Date(s)/Period(s): *[specify]*/[AER Knock-out Date]
- (f) Automatic Early Expiration Settlement Date: *[specify]*/[Not applicable]
- (g) Observation Price Source: *[specify]*/[Not applicable]
- (h) Underlying Reference Level: [Official level]/[Official close]/[last price]/[bid price]/[asked price]/[Standard Underlying Reference Level]/[Not applicable]
- (i) SPS AER Valuation: [Applicable/Not applicable]  
*[If applicable include formula, relevant value(s) and related provisions from Payout Conditions.]*
- (o) Identification information of Holders as provided by Condition 20: [Applicable/Not applicable]
- (p) [Redenomination: [Not applicable]]
- (q) [FX Settlement Disruption Event Determination: [Applicable]]

## DISTRIBUTION AND US SALES ELIGIBILITY

- 43.** U.S. Selling Restrictions: [Applicable/Not applicable – the Securities may not be legally or beneficially owned by or transferred to any U.S. person at any time] *[if not applicable delete all items]*
- (a) [Eligibility for sale of Securities in the United States to AIs (N.B. Only U.S. Securities issued by BNPP can be so eligible):  

[The Securities are not eligible for sale in the United States.][The Securities are eligible for sale into the United States to AIs.]

*[Where Securities are eligible for sale in the United States to AIs, include the following:*

    - (i) The Securities will be issued in the form of Private Placement Definitive Securities;
    - (ii) The Securities may [not] be issued concurrently outside the United States to non-U.S. persons [(such Securities to be represented by a Regulation S Global Security)];
    - (iii) The Securities may [not] be transferred to QIBs *(N.B. Securities may only be transferred to QIBs if eligible for sale to QIBs as provided in*

*paragraph (b) below);*

- (iv) The Securities may [not] be transferred to non-U.S. persons;
- (v) The Securities may [not] be transferred to AIs;
- (vi) *[insert applicable U.S. federal and state legends and selling restrictions and specify details of any transfer restrictions and any necessary certifications, if different from those set out in the Conditions (N.B. Such restrictions may be necessary, inter alia, in relation to Commodity Securities)]; and*
- (vii) *[specify any amendments to the form of Exercise Notice (the form of which is set out in a schedule to the Agency Agreement)].]*

- (b) [Eligibility for sale of Securities in the United States to QIBs within the meaning of Rule 144A (N.B. except as provided in (c) below only U.S. Securities issued by BNPP can be so eligible):
- [The Securities are not eligible for sale in the United States.][The Securities are eligible for sale in the United States under Rule 144A to QIBs.]
- [Where Securities are eligible for sale in the United States under Rule 144A to QIBs, include the following:

- (i) The Rule 144A Global Security will be deposited with [a custodian for DTC]/[a common depositary on behalf of Clearstream, Luxembourg/Euroclear/Iberclear/other relevant clearing system];
- (ii) The Securities may [not] be issued concurrently outside the United States to non-U.S. persons [(such securities to be represented by a Regulation S Global Security)];
- (iii) The Securities may [not] be transferred to QIBs;
- (iv) The Securities may [not] be transferred to non-U.S. persons;
- (v) The Securities may [not] be transferred to AIs *(N.B. Securities may only be transferred to AIs if eligible for sale to AIs as provided for in paragraph (a) above);*
- (vi) *[insert applicable U.S. federal and state legends and selling restrictions and specify details of any transfer restrictions and any necessary certifications, if different from those set out in the Conditions (N.B. Such restrictions may be necessary, inter alia, in relation to Commodity*

Securities)]; and

- (vii) *[specify any amendments to the form of Exercise Notice (the form of which is set out in a schedule to the Agency Agreement)].*

- (c) [Eligibility for sale of Securities in the United States to QIBs within the meaning of Rule 144A who are also QPs within the meaning of the Investment Company Act (N.B. All U.S. Securities issued by BNPP B.V. must include these restrictions in lieu of restrictions in (a) or (b) above)
- [The Securities are not eligible for sale in the United States.][The Securities are eligible for sale in the United States to persons who are both QIBs and also QPs.]
- [Where Securities issued by BNPP B.V. are eligible for sale in the United States, include the following:
- (i) The Securities are issued by BNPP B.V.;
- (ii) [The Securities will be issued in the form of Private Placement Definitive Securities] [The Rule 144A Global Security will be deposited with [a custodian for DTC]/[a common depositary on behalf of Clearstream, Luxembourg/Euroclear/Iberclear/other relevant clearing system]];
- (iii) The Securities may [not] be issued concurrently outside the United States to non-U.S. persons [(such Securities to be represented by a Regulation S Global Security)];
- (iv) The Securities may only be transferred to persons who are both QIBs and QPs;
- (v) The Securities may [not] be transferred to non-U.S. persons;
- (vi) The Securities may not be transferred to AIs;]

44. Additional U.S. Federal income tax considerations:
- [The Securities are [not] Specified Securities for the purpose of Section 871(m) of the U.S. Internal Revenue Code of 1986. [Additional information regarding the application of Section 871(m) to the Securities will be available at *[give name(s) and address(es) of Issuer contact]*. [The Issuer will arrange for withholding under Section 871(m) to be imposed on any dividend equivalent payment at a rate of 30 per cent.]]

*(If the Securities are Specified Securities, include the "Additional information" sentence and provide the appropriate contact information at the Issuer. N.B. Include the option above, completed as appropriate, where (a) the Securities do not reference any U.S. equity or any index that contains any component U.S. equity or otherwise provide direct or indirect exposure to U.S. equities or (b) the Section 871(m) determination has been*



*made by the time the Final Terms are finalised (in which case, the determination will have been made either (i) on the pricing date, if this falls 14 days or fewer before the issue date or (ii) on the issue date, if the pricing date falls more than 14 days before the issue date. Otherwise, include the following option, completed as appropriate:*

[As at the date of these Final Terms, the Issuer has not determined whether the Securities are Specified Securities for purposes of Section 871(m) of the U.S. Internal Revenue Code of 1986; however, indicatively it considers that they will [not] be Specified Securities for these purposes. **This is indicative information only subject to change and if the Issuer's final determination is different then it will give notice of such determination.** Please contact [give name(s) and address(es) of Issuer contact] for further information regarding the application of Section 871(m) to the Securities.]]

*(The Securities will not be Specified Securities if they (i) are issued prior to 1 January, 2018 and provide a return that differs significantly from the return on an investment in the underlying or (ii) do not reference any U.S. equity or any index that contains any component U.S. equity or otherwise provide direct or indirect exposure to U.S. equities. If the Securities are issued on or after 1 January, 2018 and reference a U.S. equity or an index that contains a component U.S. equity or otherwise provide direct or indirect exposure to U.S. equities, further analysis would be required.)*

[Payments on the Specified Securities are calculated by reference to [Net Dividends/Net Total Returns]. By purchasing a Specified Security, the parties agree that in calculating the relevant payment amount the Issuer has withheld, and the purchaser is deemed to have received 30 per cent. of any dividend equivalent payments (as defined in Section 871(m) of the Code) in respect of the relevant [U.S. securities/U.S. dividend paying index components]. The Issuer will not pay any additional amounts to the holder on account of the Section 871(m) amount deemed withheld.

[For this purpose, "**Net Dividends**" means the dividends paid by an issuer of a security net of 30 per cent. US federal withholding tax.]

[For this purpose, "**Net Total Returns**" means the net total return of the US source dividend paying components, as calculated by the Index Sponsor, of an index that reinvests US source dividends paid by an issuer of a

security that is a component of the index net of 30 per cent. US withholding tax on such US source dividends.]]

45. Registered broker/dealer: [BNP Paribas Securities Corp.]/[specify other]<sup>38</sup>/[Not applicable]

*(If syndicated, specify names of the Manager(s))*

46. TEFRA C or TEFRA Not Applicable: [TEFRA C/TEFRA Not Applicable]

47. Non-exempt Offer: [Applicable][Not applicable] *(if not applicable, delete the remaining placeholders of this paragraph 47 and paragraph 7 of Part B)*

(i) Non-exempt Offer Jurisdictions: [Specify relevant Member State(s) where the Issuer intends to make Non-exempt Offers (select from the list of Non-exempt Offer Jurisdictions in the Base Prospectus) - which must be jurisdictions where the Base Prospectus and any supplements have been passported (in addition to the jurisdiction where approved and published)]

(ii) Offer Period: [specify date and, if applicable, time] until [and including] [specify date (and, if applicable, time) or a formula such as "the Issue Date" or "the date which falls [●] Business Days thereafter"] [subject to any early closing]]/[From (and including) the Issue Date until (and including) the date on which the Securities are delisted]

(iii) Financial intermediaries granted specific consent to use the Base Prospectus in accordance with the Conditions in it: [insert names and addresses of financial intermediaries receiving consent (specific consent)]

(iv) General Consent: [Not applicable]/[Applicable]

(v) Other Authorised Offeror Terms: [Not Applicable] [add here any other Authorised Offeror Terms]

*(Authorised Offeror Terms should only be included here where General Consent is applicable)*

*(N.B. Consider any local regulatory requirements necessary to be fulfilled so as to be able to make a non-exempt offer in relevant jurisdictions. No such offer should be made in any relevant jurisdiction until those requirements have been met. Non-exempt offers may only be made into jurisdictions in which the base prospectus (and any supplement) has been notified/passported.)*

48. Prohibition of Sales to EEA Retail Investors:

<sup>38</sup> If U.S. Securities [N.B. if U.S. Securities are issued by BNPP B.V., the [broker/dealer] shall be BNP Paribas Securities Corp.]

(a) Selling Restriction:

[Applicable/Not Applicable]

*(If the offer of the Securities is concluded prior to 1 January 2018, or on or after that date and the Securities clearly do not constitute "packaged" products, or on or after that date and the Securities constitute "packaged" products for which a key information document will be prepared, "Not Applicable" should be specified. If the offer of the Securities will be concluded on or after 1 January 2018 and the Securities may constitute "packaged" products and no key information document will be prepared or if the Issuer wants to prohibit offers to EEA retail investors for any other reason, "Applicable" should be specified)*

(b) Legend:

[Applicable/Not Applicable]

*(Where agreed that the Securities clearly do not constitute "packaged" products, "Not Applicable" should be specified. If the offer of the Securities is concluded prior to 1 January 2018 and the Securities may constitute 'packaged' products and mature on or after 1 January 2018 then "Applicable" should be specified if agreed by the parties. If the offer of the Securities will be concluded on or after 1 January 2018 and the Securities may constitute "packaged" products, "Applicable" should be specified)*

## PROVISIONS RELATING TO COLLATERAL AND SECURITY

49. Collateral Security Conditions:

[Applicable - Annex 13 (Additional Terms and Conditions for Secured Securities) will apply/Not applicable]

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

*[Part A/Part C] of Annex 13 will apply.] (specify)*

(a) Collateral Pool:

*[specify]*

(b) Type of Collateral Pool:

[Single Series Pool/Multiple Series Pool]

(c) (i) Eligible Collateral:

*[specify]* [Cash denominated in [Euro][an Eligible Currency] [Eligible Currency(ies)-[ ] ] *[specify eligible currencies if Eligible Collateral consists of cash other than in Euro]* [Eligible Equity Collateral] [Linked Note Collateral][Credit Linked Note Collateral][Loan Participation Note Collateral][Loan Collateral][Convertible Bond Collateral][Exchangeable Bond Collateral][Covered Bond Collateral][Pfandbriefe Collateral][Zero Coupon Bond Collateral][Vanilla Debt

	Securities][Eligible ABS Collateral]Eligible Fund Collateral][issued by[●]/[with ISIN [●] (specify)/[Specify further details][See table in Part B for further details of the assets] [Initial Collateral Assets: Applicable/Not Applicable][Specify][Delete if Part C of Annex 13 is not applicable]
(ii) Fallback Collateral:	[Not applicable]/ [specify] [Cash denominated in [Euro][an Eligible Currency] [Eligible Currency(ies) [ ] [specify eligible currencies if Eligible Collateral consists of cash other than in Euro] [Eligible Equity Collateral] [Linked Note Collateral] [Credit Linked Note Collateral][Loan Participation Note Collateral][Loan Collateral][Convertible Bond Collateral][Exchangeable Bond Collateral][Covered Bond Collateral][Pfandbriefe Collateral][Zero Coupon Bond Collateral][Vanilla Debt Securities][Eligible ABS Collateral]Eligible Fund Collateral][issued by[●]/[with ISIN [●] (specify)/[Specify further details][See table in Part B for further details of the assets]
(d) Type of collateralisation:	[MTM Collateralisation]/[Partial MTM Collateralisation] [[- Partial Collateralisation Level is equal to [specify]][NB - where Partial MTM Collateralisation is applicable, specify level]
(e) Type of enforcement:	[Collateral Cash Settlement]/[Physical Delivery Of Collateral]
(f) Haircut:	[Applicable/Not applicable]
(g) Security Termination Amount:	[Security Value Termination Amount]/[Security Value Realisation Proceeds]/[specify]
(h) Priority of Payments:	[Not applicable]/Holder Priority of Payments, Swap Counterparty Priority of Payments, Repo Counterparty Priority of Payments, Unwind Priority of Payments [specify] [NB The same Priority of Payments must apply to each series of Secured Securities secured by the same Collateral Pool][Specify not applicable if Part C of Annex 13 applies]
(i) Additional or Alternative Security Agreement(s):	[None]/[Specify details including governing law]
(j) Limited Diversification:	[Applicable/Not applicable]
(k) Collateral Valuation Dates:	[specify]/[None]
(l) Collateral Calculation Agent:	[BNP Paribas Arbitrage S.N.C.]/[BNP Paribas]/[specify]/[Not applicable]
(m) Collateral Custodian:	[BNP Paribas Securities Services, Luxembourg

	Branch]/[specify]
(n)	Collateral Agent: [BNP Paribas Trust Corporation UK Limited]/[specify]
(o)	Swap Agreement: [Applicable/Not applicable]
(p)	Swap Counterparty: [BNP Paribas Arbitrage S.N.C.]/[BNP Paribas] [Not Applicable]/[specify]
(q)	Repurchase Agreement: [Applicable/Not applicable]
(r)	Repo Counterparty: [BNP Paribas Arbitrage S.N.C.]/[BNP Paribas] [Not Applicable]/[specify]
(s)	Collateral Asset Default: [Applicable]/[Not applicable] [Collateral Asset Default] [Collateral Asset Issuer Default] <i>(NB: Collateral Asset Issuer Default may only be specified if Part A of Annex 13 is applicable. Delete if Collateral Asset Default is not applicable)</i>
	[Collateral Physical Settlement: [Applicable/Not applicable]] [Disruption Cash Settlement Price: <i>specify if Collateral Physical Settlement is applicable</i> ]/[[Default Redemption]/[Option Value Redemption] is applicable.
	<i>[NB Delete Collateral Physical Settlement, Disruption Cash Settlement Price, Default Redemption/Option Value Redemption if Collateral Asset Default is not applicable]</i>

[For the purpose of the Securities the terms specified in these Final Terms are deemed to be incorporated into the Terms and Conditions of the Securities as amended and/or supplemented by the provisions of the Additional Terms and Conditions set out in the Annex specified in the Final Terms (the "**Conditions**") and shall thereby complete the Conditions for the purpose of the Securities and these Final Terms may be regarded as evidencing the complete Conditions.]

## Responsibility

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

## [THIRD PARTY INFORMATION]

[The information included in [the Annex] (the "[●] Information") consists of extracts from or summaries of information that is publicly available in respect of [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced inaccurate or misleading.]<sup>39</sup>

Signed on behalf of [BNP Paribas Issuance B.V.]/[BNP Paribas]

As Issuer:

By:

<sup>39</sup> Include only if such information has been included.

Duly authorised

## PART B – OTHER INFORMATION

### 1. Listing and Admission to trading – [De-listing]

[The Securities are unlisted.]/[Application has been made to list the Securities on [the Official List of the Luxembourg Stock Exchange/ Euronext Paris/ Euronext Brussels] and to admit the Securities for trading on [the Luxembourg Stock Exchange's regulated market/Euro MTF Market/Euronext Paris/Euronext Brussels] [with effect from [●]].]/[Application will be made to list the Securities on the Italian Stock Exchange and to admit the Securities described herein for trading on the electronic "Securitised Derivatives Market" (the "SeDeX"), organised and managed by Borsa Italiana S.p.A. [with effect from [●]]]/[Application has been made to list the Securities on the stock exchange of [Madrid/Barcelona/Valencia/Bilbao] and to admit the Securities to trading in the Warrants and Certificates Module of the Spanish stock market trading system (*Sistema de Interconexión Bursátil Español* ("SIBE")) [with effect from [●]].]/[Application will be made to list the Securities on [ Euronext Paris/NYSE Euronext Lisbon - Sociedade Gestora de Mercados Regulamentados, S.A. ("Euronext Lisbon")/OPEX - Sociedade Gestora de Sistema de Negociação Multilateral, S.A. ("OPEX")/ Euronext Brussels] and to admit the Securities described herein for trading on [ Euronext Paris/ Euronext Brussels/EasyNext Lisbon managed by Euronext Lisbon]/[PEX managed by OPEX/ Euronext Paris] [with effect from [●]].]/[Application will be made to list the Securities on the Nordic Derivatives Exchange Stockholm (the "NDX") and to admit the Securities for trading on the NDX [with effect from [●]].] [Application [has been/will be] made to list the Securities and to admit the Securities for trading [with effect from [●]] on the Official List of NASDAQ OMX Helsinki Ltd. and/or on the Nordic Derivatives Exchange of the Nordic Growth Market NGM AB]/[specify other exchange]. [Application will be made for the Securities to be admitted to trading on the Multilateral Trading Facility EuroTLX (managed by EuroTLX SIM S.p.A.) [with effect from [●]]. The Issuer is not a sponsor of, nor is it responsible for, the admission and trading of the Securities on the EuroTLX and no assurance can be given that any such application will be successful.] [Application will be made to list the Securities and to admit the Securities for trading on the Official List of NASDAQ OMX Stockholm [with effect from [●]].]/[Application has been made to list the Securities on the Official List of the Freiverkehr Stock Exchange and to admit the Securities for trading on the Frankfurt Stock Exchange's Regulated Unofficial Market ("Freiverkehr" section) [with effect from [●]].] [Application has been made to the UK Listing Authority for the Securities to be admitted to the Official List and to the London Stock Exchange for the Securities to be admitted to trading on the London Stock Exchange's Regulated Market for listed securities [with effect from [●]].]/[Application has been made to list the Securities on the Main Board of the Johannesburg Stock Exchange and to admit the Securities described herein for trading through the Central Securities Depository [with effect from [●]].] [Application has been made to list the Securities on NYSE Alternext Brussels and to admit the Securities for trading on NYSE Alternext Brussels. [with effect from [●]].] [Application has been made to list the Securities on the Nordic MTF and to admit the Securities for trading on the Nordic MTF [with effect from [●]].] [Application has been made to list the Securities on the Boerse Stuttgart cats GmbH (the "cats") and to admit the Securities for trading on the cats [with effect from [●]].] [Application has been made to list the Securities on [specify relevant MTF] and to admit the Securities to trading on [specify relevant MTF] [with effect from [●]].]

[The de-listing of the Securities on the [exchange/regulated market] specified above shall occur on [specify], subject to any change to such [date/period] by such [exchange/regulated market] or any competent authorities, for which the Issuer [and the Guarantor] shall under no circumstances be liable].

[Estimate of total expenses related to admission to trading: [●]]<sup>40</sup>

(Where documenting a fungible issue need to indicate if original Securities are already admitted to trading)

<sup>40</sup>

Delete if issue price is less than EUR 100,000 (or its equivalent in the relevant currency as of the Issue Date) or if the Securities are Derivative Securities.

## 2. [Ratings]

Ratings: [The Securities to be issued [[have been]/[are expected to be]] rated [insert details] by [insert credit rating agency name(s)].]

[The Securities have not been rated.]

*[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider:*

[●]

*(The above disclosure should reflect the rating allocated to Securities of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)]]*

[[Insert credit rating agency] is established in the European Union and has applied for registration under Regulation (EC) No. 1060/2009 (as amended), although notification of the corresponding registration decision has not yet been provided by the European Securities and Markets Authority.]

***EITHER*** [[Insert the legal name of the relevant CRA entity] is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended). [As such [insert the legal name of the relevant CRA entity] is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation.]

***OR*** [[Insert the legal name of the relevant non-EU CRA entity] is not established in the European Union and is not registered in accordance with Regulation (EC) No. 1060/2009 (as amended)]. [Insert the legal name of the relevant non-EU CRA entity] is therefore not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation]

***OR*** [[Insert the legal name of the relevant non-EU CRA entity] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). The ratings have been endorsed by [insert the legal name of the relevant EU-registered CRA entity] in accordance with the CRA Regulation. [Insert the legal name of the relevant EU CRA entity] is established in the European Union and registered under the CRA Regulation[. As such [insert the legal name of the relevant EU CRA entity] is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation].] The European Securities Markets Authority has indicated that ratings issued in [Japan/Australia/the USA/Canada/Hong Kong/Singapore/Argentina/Mexico (delete as appropriate)] which have been endorsed by [insert the legal name of the relevant EU CRA entity that applied for registration] may be used in the EU by the relevant market participants.]

***OR*** [[Insert the legal name of the relevant non-EU CRA entity] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**), but it [is]/[has applied to be] certified in accordance with the CRA Regulation[[ **[EITHER:]** and it is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation] [ **[OR:]** although notification of the corresponding certification decision



*has not yet been provided by the European Securities and Markets Authority and [insert the legal name of the relevant non-EU CRA entity] is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation].]*

***OR** [[Insert the legal name of the relevant CRA entity] is established in the European Union and has applied for registration under Regulation (EC) No. 1060/2009 (as amended), although notification of the corresponding registration decision has not yet been provided by the European Securities and Markets Authority [ and [insert the legal name of the relevant CRA entity] is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation].]*

***OR** [[Insert the legal name of the relevant non-EU CRA entity] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). However, the application for registration under the CRA Regulation of [insert the legal name of the relevant EU CRA entity that applied for registration], which is established in the European Union, disclosed the intention to endorse credit ratings of [insert the legal name of the relevant non-EU CRA entity][, although notification of the corresponding registration decision has not yet been provided by the European Securities and Markets Authority and [insert the legal name of the relevant EU CRA entity] is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation].] The European Securities Markets Authority has indicated that ratings issued in [Japan/Australia/the USA/Canada/Hong Kong/Singapore/Argentina/Mexico (delete as appropriate)] which have been endorsed by [insert the legal name of the relevant EU CRA entity that applied for registration] may be used in the EU by the relevant market participants.]*

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

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

*"Save as discussed[ in the "Potential Conflicts of Interest" paragraph in the "Risk Factors" in the Base Prospectus], so far as the Issuer is aware, no person involved in the offer of the Securities has an interest material to the offer."*

### **4. [Reasons for the Offer, Estimated Net Proceeds and Total Expenses<sup>41</sup>**

(a) Reasons for the offer: [●]

*(See "Use of Proceeds" wording in Base Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)*

(b) Estimated net proceeds: [Up to] [●]

*(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*

<sup>41</sup>

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

*proposed uses state amount and sources of other funding.)*

(c) Estimated total expenses: [●] *[Include breakdown of expenses]*<sup>42</sup>

**5. Performance of Underlying/Formula/Other Variable and Other Information concerning the Underlying Reference**

*[Need to include details of where past and further performance and volatility of the index/formula/other variables can be obtained. If there is a derivative component in the interest or the Securities are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, an example of how the value of the investment is affected by the value of the underlying may be included.]*

*[Where the underlying is an index need to include the name of the index and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained]*

*[Where the underlying is a security need to include the name of the issuer of the security and the ISIN (International Security Identification Number) or other such security identification code]*

The Issuer *[intends to provide post-issuance information [specify what information will be reported and where it can be obtained]]* *[does not intend to provide post-issuance information].*

**6. Operational Information**

Relevant Clearing System(s): Euroclear and Clearstream,  
Luxembourg/DTC/Euroclear  
France/Iberclear/Euroclear UK & Ireland/Euroclear  
Sweden/Euroclear Finland/Monte Titoli/Clearstream,  
Frankfurt/VP Denmark/*other*

*[if Iberclear add: [Insert relevant entity] will act as link entity (Entidad de Enlace)/Paying Agent (Entidad de Pago)/Depository Entity (Entidad Depositaria)/Liquidity Entity (Entidad Especialista)]*

*[N.B. Ensure all relevant entities have been appointed and formalities complied with in accordance with the rules and regulations of the relevant clearing system]*

If other than Euroclear Bank S.A./N.V., Clearstream Banking, S.A., Euroclear France, [Iberclear], [Monte Titoli/Clearstream, Frankfurt] include the relevant identification number(s) and in the case of Swedish Dematerialised Securities, the Swedish Security Agent [and in the case of Danish Dematerialised Securities, the Danish Security Agent] [and in the case of Finnish Dematerialised Securities, the Finnish Security Agent] [and in the case of CREST Dematerialised Securities, the Euroclear Registrar]:

[Identification number(s):]

*[N.B. Ensure all relevant entities have been appointed and formalities complied with in*

<sup>42</sup>

Not required for debt securities with an issue price per unit of at least EUR 100,000 (or its equivalent in the relevant currency as of the Issue Date).

accordance with the rules and regulations of the relevant clearing system]

[Swedish Security Agent;

[Svenska Handelsbanken AB (publ)/other]

Address: [     ]]

[Contact details of the Finnish Security Agent will be included in the applicable Final Terms.]

[Contact details of the Danish Security Agent will be included in the applicable Final Terms.]

[Contact details of the Euroclear Registrar will be included in the applicable Final Terms]

## 7. [Terms and Conditions of the Public Offer

Offer Price:

[Issue Price/Not applicable/specify]

[Conditions to which the offer is subject:]

[Not applicable/give details]

[The Issuer will determine the final amount of Securities issued up to a limit of [●]. The final amount that are issued on [●] will be listed on the [Official List of the Luxembourg Stock Exchange/Euronext Paris/Euronext Brussels/Italian Stock Exchange/stock exchange of [Madrid/Barcelona/Valencia/Bilbao]/Euronext Paris/Euronext Brussels/[specify other exchange]]. Securities will be allotted subject to availability in the order of receipt of investors' applications. The final amount of the Securities issued will be determined by the Issuer in light of prevailing market conditions depending on the number of Securities which have been agreed to be purchased as of [●].]

[Description of the application process:]

[Not applicable/give details]

[Details of the minimum and/or maximum amount of application:]

[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 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 indication whether dealing may begin before notification is made:] [Not applicable/*give details*]

[Amount of any expenses and taxes specifically charged to the subscriber or purchaser:] [Not applicable/*give details*]]

## 8. [Intermediaries with a firm commitment to act

[Name and address of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and a description of the main terms of their commitment:] [None/*give details (such as the maximum bid/offer spread of the offer price and the minimum unit amount per order)*]]

## 9. [Placing and Underwriting

[Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place: [The Authorised Offerors identified in Paragraph 47 of Part A and identifiable from the Base Prospectus/None/*give details*]

Name and address of the co-ordinator(s) of the global offer and of single parts of the offer:<sup>43</sup> [●]

Name and address of any paying agents and depository agents in each country (in addition to the Principal Security Agent): [●]

Entities agreeing to underwrite the issue on a firm commitment basis, and entities agreeing to place the issue without a firm commitment or under "best efforts" arrangements:<sup>44</sup> [●]

When the underwriting agreement has been or will be reached:] [●]]

<sup>43</sup> Where not all of the issue is underwritten, a statement of the portion not covered.

<sup>44</sup> See "Risk Factors relating to Securities – Potential Conflicts of Interest" in the Base Prospectus for further information.

10. [Form of Exercise Notice (in the case of Warrants other than U.S. Securities)]

**EXERCISE NOTICE**

(to be completed by the Holder of the Warrant)

[BNP Paribas Issuance B.V.]/[BNP Paribas]

[insert title of Warrants]

ISIN: [     ]

(the "**Warrants**")

To: [Italian Security Agent]

[address]

Fax No: [     ]

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

hereby

- (i) communicate that we are exercising the rights granted by the Warrants in accordance with the Terms and Conditions of the Securities, as amended and/or supplemented by the applicable Final Terms (the "**Warrant Terms**");
- (ii) confirm that Monte Titoli is irrevocably instructed to debit before the Settlement Date our securities account with the number of Warrants being hereby exercised and acknowledge that failure to give such instruction shall result in this Exercise Notice being null and void;
- (iii) confirm that we will pay all Exercise Expenses with regards to the Warrants, and authorise the deduction of any amount in respect thereof from any Cash Settlement Amount due to us and/or to debit our account;
- (iv) acknowledge that expressions defined in the Warrant Terms shall bear the same meanings in this Exercise Notice;
- (v) understand that if this Exercise Notice is not completed and delivered as provided in the Warrant Terms or is determined to be incomplete or not in proper form (in the determination of the Italian Security Agent) (in consultation with Monte Titoli), it will be treated as null and void;
- (vi) understand that if this Exercise Notice is subsequently corrected to the satisfaction of the Italian Security Agent, it will be deemed to be a new Exercise Notice submitted at the time such correction was delivered to the Italian Security Agent;
- (vii) confirm that the beneficial owner of each Warrant being exercised is not a U.S. person, the Warrant is not being exercised within the United States or on behalf of a U.S. person and no cash, securities or other property has been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with any exercise thereof; and
- (viii) authorise that, if such certification is required in connection with any legal or administrative proceedings commenced or threatened in connection with any securities, commodities, tax or other laws of the United States of America, you may produce this Exercise Notice to any interested party in such proceedings.

Details of Holder(s)

Name:

\_\_\_\_\_

Address:

\_\_\_\_\_

Fax No: [            ]

\_\_\_\_\_

Telephone No: [            ]

\_\_\_\_\_

Series No. of the Warrants:

\_\_\_\_\_

Number of Warrants/Units being exercised:

\_\_\_\_\_

Details of the securities account to be debited with the number of Warrants/Units being exercised:

\_\_\_\_\_

Details of the account to be credited with payment by the Issuer of the Cash Settlement Amount for each Warrant/Unit exercised:

\_\_\_\_\_

Place and date:

\_\_\_\_\_

Signature of the Holder

Name of beneficial owner of the Warrants

\_\_\_\_\_

\_\_\_\_\_

signature]<sup>45</sup>

<sup>45</sup> \_\_\_\_\_  
Insert in the case of Warrants listed on the Italian Stock Exchange.

**11. [Form of Renouncement Notice]**

**RENOUNCEMENT NOTICE**

(to be completed by the Holder of the Security)

[BNP Paribas Issuance B.V.]/[BNP Paribas]

[insert title of Securities]

ISIN: [ ]

(the "**Securities**")

To: [Italian Security Agent]

[address]

Fax No: [ ]

We/I the undersigned Holder(s) of the Securities hereby communicate that we are renouncing the automatic exercise on the Exercise Date [scheduled to fall on [●]]<sup>46</sup> of the rights granted by the Securities in accordance with the Terms and Conditions of the Securities, as amended and/or supplemented by the applicable Final Terms (the "**Security Terms**").

Series No. of the Securities:

Number of Securities the subject of this notice:

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

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

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

Place and date:

Signature of the Holder

Name of beneficial owner of the Securities

Signature]<sup>47</sup>]

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<sup>46</sup> Only applicable to Multiple Exercise Securities.

<sup>47</sup> Insert in the case of Italian Listed Securities.

## 12. [Description of Collateral Assets

Assets meeting the criteria in the table set out below under the headings "Eligible Collateral" and "Other information" shall constitute Collateral Assets:]

	<i>Eligible Collateral</i> <sup>48</sup>	<i>Other information</i>
[(A)]	[A pool of] [D/d]ebt securities [issued and guaranteed by [ ] with a minimum eligible rating of [specify] whose issuer or guarantor must be incorporated in [specify] and which must be traded on [specify relevant regulated markets]	
[(B)]	A pool of equity securities with a minimum eligible rating of [specify] the issuer or guarantor of which must be incorporated in [specify] and which must be traded on [specify relevant regulated markets]	
[(C)]	A pool of shares, units or interests in Collective Investment Schemes the issuer of which must be incorporated in [specify], the regulatory authority of which must be [specify] and which have minimum assets under management of [specify]	
[(D)]	Cash deposit denominated in [specify currency] (the "Eligible Currency")	
[(E)]	[Specify details of other Collateral Assets where applicable]	

<sup>48</sup>

Delete as applicable and if details are provided in paragraph 48 of Part A.



## **ANNEX – ANNEX FOR CREDIT 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 in relation to the payouts for Securities, the additional terms and conditions contained in Annex 2 in the case of Index Securities, the additional terms and conditions contained in Annex 3 in the case of Share Securities, the additional terms and conditions contained in Annex 4 in the case of ETI Securities, the additional terms and conditions contained in Annex 5 in the case of Debt Securities, the additional terms and conditions contained in Annex 6 in the case of Commodity Securities, the additional terms and conditions contained in Annex 7 in the case of Inflation Index Securities, the additional terms and conditions contained in Annex 8 in the case of Currency Securities, the additional terms and conditions contained in Annex 9 in the case of Fund Securities, the additional terms and conditions contained in Annex 10 in the case of Futures Securities, the additional terms and conditions contained in Annex 11 in the case of Underlying Interest Rate Securities, the additional terms and conditions contained in Annex 12 in the case of Credit Securities, the additional terms and conditions contained in Annex 13 in the case of Secured Securities (each, an "Annex" and, together the "Annexes") (the "Terms and Conditions") which, in the case of English Law Securities (as defined in Condition 1 below), will be incorporated by reference into each Clearing System Global Security, Private Placement Definitive Security or Registered Global Security (each as defined below), or in the case of CREST Dematerialised Securities (as defined in Condition 1 below), Danish Dematerialised Securities or Italian Dematerialised Securities (as defined below) will apply to such Securities. In the case of English Law Securities (other than CREST Dematerialised Securities, Swedish Dematerialised Securities, Danish Dematerialised Securities, Finnish Dematerialised Securities, Italian Dematerialised Securities or Swiss Dematerialised Securities), the applicable Final Terms (or the relevant provisions thereof) will be attached to each Clearing System Global Security, Private Placement Definitive Security or Registered Global Security, as the case may be. In the case of CREST Dematerialised Securities, Swedish Dematerialised Securities, Finnish Dematerialised Securities, Danish Dematerialised Securities, Italian Dematerialised Securities and Swiss Dematerialised Securities, the applicable Final Terms in respect of such Securities will be available at the specified office of the relevant Issuer and at the office of the Euroclear Registrar, Swedish Security Agent, Danish Security Agent, Finnish Security Agent, Italian Security Agent or Swiss Security Agent, as applicable, in each case specified in the applicable Final Terms. The provisions in respect of Registered Securities and U.S. Securities (each as defined below) relate to English Law Securities only.*

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.

The series of Securities described in the applicable Final Terms (in so far as it relates to such series of Securities) (such Securities being hereinafter referred to as the "**Securities**") are issued by whichever of BNP Paribas Issuance B.V. (formerly BNP Paribas Arbitrage Issuance B.V.) ("**BNPP B.V.**") or BNP Paribas ("**BNPP**") is specified as the Issuer in the applicable Final Terms (the "**Issuer**") and references to the Issuer shall be construed accordingly. The Securities are warrants ("**Warrants**") and references in these Terms and Conditions to "Security", "Securities", "Warrant" and "Warrants" will be construed accordingly.

As used herein, "**Tranche**" means Securities which are identical in all respects (including as to listing and admission to trading) and "**Series**" means a Tranche of Securities together with any further Tranche or Tranches of Securities which (i) are expressed to be consolidated and form a single series and (ii) have the same terms and conditions or terms and conditions which are the same in all respects save for the Issue Date and Issue Price.

The Securities (other than CREST Dematerialised Securities) are issued pursuant to an Agency Agreement dated on or around 7 June 2017 (as amended and/or supplemented from time to time, the "**Agency Agreement**") between BNPP B.V. as issuer, BNPP as issuer, (where the Issuer is BNPP B.V.) as guarantor (in such capacity, the "**BNPP Guarantor**"), BNP Paribas Securities Services, Branch in Spain as Spanish agent (if specified in the applicable Final Terms as Agent in respect of the Securities, the "**Madrid Security Agent**"), BNP Paribas Securities Services, Luxembourg Branch as principal agent (if specified in the applicable Final Terms as Agent in respect of the Securities, the "**Principal Security Agent**"), registrar (if specified in the applicable Final Terms as Registrar in respect of the Registered Securities) and collateral custodian, BNP Paribas Securities Services as French issuing and paying agent (the "**French Security Agent**"), BNP Paribas Arbitrage S.N.C. as principal agent (if specified in the applicable Final Terms as Agent in respect of the Securities, the "**Principal Security Agent**") and collateral calculation agent. The Bank of New York Mellon as New York security agent (the "**New York Security Agent**"), The Bank of New York Mellon as definitive security agent (the "**Definitive Security Agent**"), BNP Paribas Securities Services, Milan Branch as Italian agent (the "**Italian Security Agent**"), BNP Paribas Securities Services, Frankfurt Branch as Frankfurt warrant agent (the "**Frankfurt Warrant Agent**"), BNP Paribas Securities Services, Succursale de Zurich as Swiss issuing and paying agent (each a "**Security Agent**" and collectively, the "**Security Agents**") and BNP Paribas Securities (Japan) Limited as registrar (if specified in the applicable Final Terms as Registrar in respect of the Registered Securities, and, together with BNP Paribas Securities Services, Luxembourg Branch, each a "**Registrar**"), as supplemented in the case of Swedish Dematerialised Securities by an issuing and paying agency agreement dated 4 January 2010 (as amended and/or supplemented from time to time, the "**Swedish Agency Agreement**") between BNPP B.V. and Svenska Handelsbanken AB (publ) as Euroclear Sweden security agent (the "**Swedish Security Agent**"), as supplemented in the case of Finnish Dematerialised Securities by an issuing and paying agency agreement dated 7 January 2013 (which may be amended and/or supplemented from time to time, the "**Finnish Agency Agreement**") between BNPP B.V. and Svenska Handelsbanken AB (publ) as Euroclear Finland security agent, (the "**Finnish Security Agent**") and as supplemented in the case of Danish Dematerialised Securities by an issuing and paying agency agreement, as amended and/or supplemented from time to time (the "**Danish Agency Agreement**") to be entered into between BNPP B.V. and the VP Denmark security agent appointed thereunder (the "**Danish Security Agent**"). The expression "Security Agent" shall include (i) in respect of Swedish Dematerialised Securities, the Swedish Security Agent and (ii) in respect of Finnish Dematerialised Securities, the Finnish Security Agent, and (iii) in respect of Danish Dematerialised Securities, the Danish Security Agent, and shall include any additional or successor security agent(s) in respect of the Securities.

In relation to issues of CREST Dematerialised Securities (as defined below), BNPP B.V. has entered into an agreement dated 10 June 2016 (such agreement as amended and/or supplemented and/or restated from time to time, the "**Euroclear Agreement**") with Computershare Investor Services (Guernsey) Limited as registrar in respect of CREST Dematerialised Securities (the "**Euroclear Registrar**", which expression shall include any successor or additional Euroclear registrar appointed in respect of CREST Dematerialised Securities). CREST Dematerialised Securities may only be issued by BNPP B.V.

BNP Paribas or BNP Paribas Arbitrage S.N.C. (as specified in the applicable Final Terms) shall undertake the duties of calculation agent (the "**Calculation Agent**") in respect of the Securities as set out below and in the applicable Final Terms unless another entity is so specified as calculation agent in the applicable Final Terms. The expression "Calculation Agent" shall, in relation to the relevant Securities, include such other specified calculation agent.

The Agency Agreement will be governed by English Law in the case of English Law Securities (the "**English Law Agency Agreement**") and by French Law in the case of French Law Securities (the "**French Law Agency Agreement**"). The Euroclear Agreement will be governed by English Law. The Swedish Agency Agreement will be governed by Swedish Law. The Finnish Agency Agreement will be governed by Finnish law. The Danish Agency Agreement will be governed by Danish Law.

The applicable Final Terms for the Securities supplements these Terms and Conditions for the purposes of the Securities. Except in the case of French Law Securities, Swedish Dematerialised Securities, Danish Dematerialised Securities, Finnish Dematerialised Securities, Italian Dematerialised Securities, Swiss Dematerialised Securities or

CREST Dematerialised Securities, the applicable Final Terms for the Securities will be attached to each Global Security and each Private Placement Definitive Security.

References herein to the "applicable Final Terms" are to the Final Terms or two or more sets of Final Terms (in the case of any further Securities issued pursuant to Condition 12 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) insofar as they relate to the Securities.

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

Copies of the Agency Agreement, the Guarantees and the applicable Final Terms may be obtained from the specified office of the relevant Security Agent and the Registrar (in the case of Registered Securities), save that if the Securities are unlisted, the applicable Final Terms will only be obtainable by a Holder and such Holder must produce evidence satisfactory to the relevant Security Agent as to identity. Copies of the Euroclear Agreement, the English Law Guarantee and the applicable Final Terms may be obtained from the specified office of the Euroclear Registrar. Copies of the Swedish Agency Agreement and the BNPP English Law Guarantee will be available for inspection at the office of the Swedish Security Agent specified in the applicable Final Terms. Copies of the Finnish Agency Agreement and the BNPP English Law Guarantee will be available for inspection at the office of the Finnish Security Agent specified in the applicable Final Terms. Copies of the Danish Agency Agreement and the BNPP English Law Guarantee will be available for inspection at the office of the Danish Security Agent specified in the applicable Final Terms.

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

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

In the case of French Law Securities, the provisions of Article 1195 of the French *Code civil* will not apply to these Terms and Conditions.

## 1. DEFINITIONS

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

"**Account Holder**" is as defined in Condition 2.2;

"**Actual Exercise Date**" is as defined in Condition 19 and Condition 23.1(a);

"**Additional Disruption Event**" is as defined in Condition 15.1;

"**Adjustment Date**" is as defined in Condition 17(b);

"**Affected Component Security**" is as defined in Condition 1 under the definition of Strike Date and in Condition 20;

"**Affected Item**" is as defined in this Condition 1 under the definition of Strike Date and in Condition 19;

"**Affected Relevant Assets**" is as defined in Condition 15.1;

"**Affected Share**" is as defined in Condition 15.2(d);

"**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;

"**Agency Agreement**" is as defined in paragraph 4 of these Terms and Conditions;

"**AIs**" is as defined in Condition 20;

"**Alternate Cash Amount**" is as defined in Condition 5.4;

"**American Style Warrants**" is as defined in Condition 21;

"**Annex**" is as defined in paragraph 1 of these Terms and Conditions;

"**Automatic Exercise**" is as defined in Condition 21;

"**Averaging**" is as defined in Condition 21;

"**Averaging Date**" is as defined in Condition 19;

"**Basket Company**" is as defined in Condition 15.2(d);

"**Basket of Underlying References**" is as defined in Condition 24.12;

"**BNPP**" is as defined in paragraph 3 of these Terms and Conditions;

"**BNPP B.V.**" is as defined in paragraph 3 of these Terms and Conditions;

"**BNPP English Law Guarantee**" means a deed of guarantee for unsecured Securities dated on or around 7 June 2017 executed by BNPP in respect of English Law Securities issued by BNPP B.V.;

"**BNPP French Law Guarantee**" means the French Law Guarantee for unsecured Securities, *garantie*, dated on or around 7 June 2017 executed by BNPP in respect of French Law Securities issued by BNPP B.V.;

"**BNPP Guarantee**" means (a) in the case of English Law Securities, the BNPP English Law Guarantee and (b) in the case of French Law Securities, the BNPP French Law Guarantee;

"**Business Day**" means (a) a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the relevant Business Day Centre(s) (other than TARGET2 System) (b) 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 (c) for the purposes of making payments in euro, any TARGET2 Settlement Day, and

- (i) where the Securities are Clearing System Securities or Italian Dematerialised Securities, a day on which the relevant Clearing System is open for business;
- (ii) where the Securities are Private Placement Definitive Securities, a day (other than a Saturday or a Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in New York;
- (iii) where the Securities are Registered Warrants, a day (other than a Saturday or a Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in Tokyo;

- (iv) where the Securities are Swedish Dematerialised Securities, a day (other than a Saturday or a Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in Stockholm;
- (v) where the Securities are Finnish Dematerialised Securities, 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 Helsinki and on which Euroclear Finland and the relevant system in which the Finnish Dematerialised Securities are registered are open for business in accordance with the rules of Euroclear Finland;
- (vi) where the Securities are Danish Dematerialised Securities, 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 Copenhagen and on which VP Denmark and the relevant system in which the Danish Dematerialised Securities are registered are open for business in accordance with the rules of VP Denmark; or
- (vii) where the Securities are CREST Dematerialised Securities, a day on which the Operator is open for business;

**"Calculation Agent"** is as defined in paragraph 6 of these Terms and Conditions;

**"Call Warrants"** is as defined in Condition 21;

**"Cancellation Event"** is as defined in Condition 15.1;

**"Cash Settled Securities"** means Cash Settled Warrants ;

**"Cash Settled Warrants"** is as defined in Condition 21;

**"Cash Settlement Amount"** is as defined in Condition 19;

**"CBF Warrants"** is as defined in Condition 20;

**"CFTC"** is as defined in Condition 2.1;

**"Change in Law"** is as defined in Condition 15.1;

**"Clearing System"** means Clearstream, Luxembourg and/or Euroclear and/or Euroclear France and/or Euroclear Sweden and/or Euroclear Finland and/or DTC and/or Iberclear and/or Monte Titoli and/or Clearstream, Frankfurt and/or VP Denmark and/or Euroclear UK & Ireland Limited ("**CREST**") and/or any additional or alternative clearing system approved by the Issuer and the relevant Security Agent(s) from time to time and specified in the applicable Final Terms;

**"Clearing System Global Security"** means the Clearing System Global Warrant representing an issue of Warrants;

**"Clearing System Global Warrant"** is as defined in Condition 20;

**"Clearing System Securities"** means Clearing System Warrants;

**"Clearing System Warrants"** is as defined in Condition 20;

**"Clearstream, Frankfurt"** means Clearstream Banking AG, Frankfurt am Main;

**"Clearstream, Luxembourg"** is as defined in Condition 20;

"**Commodity Exchange Act**" is as defined in Condition 2.1;

"**Commodity Securities**" is as defined in Condition 2.1;

"**Common Depositary**" is as defined in Condition 20;

"**Credit Securities**" is as defined in Condition 2.1;

"**CREST Dematerialised Securities**" means CREST Dematerialised Warrants provided that CREST Dematerialised Securities may only be issued by BNPP B.V.;

"**CREST Dematerialised Warrants**" is as defined in Condition 19;

"**Currency Event**" is as defined in Condition 15.1;

"**Currency Securities**" is as defined in Condition 2.1;

"**Custodian**" is as defined in Condition 20;

"**Cut-off Date**" is as defined in Condition 24.10(c);

"**Danish Agency Agreement**" is as defined in paragraph 4 of these Terms and Conditions;

"**Danish Dematerialised Securities**" means Danish Dematerialised Warrants;

"**Danish Dematerialised Warrants**" is as defined in Condition 19;

"**Danish Record Date**" is as defined in Condition 24.7;

"**Danish Securities Trading Act**" means Consolidated Act No. 813 of 12 June 2014 on Trading in Securities in the Kingdom of Denmark, as amended from time to time;

"**Danish Security Agent**" is as defined in paragraph 4 of these Terms and Conditions;

"**Debt Securities**" is as defined in Condition 2.1;

"**Definitive Security Agent**" is as defined in paragraph 4 of these Terms and Conditions;

"**Disqualified Transferee**" is as defined in Condition 2.4(c);

"**Disrupted Amount**" is as defined in Condition 5.6(v);

"**Disrupted Settlement Date**" is as defined in Condition 5.6(v);

"**Disruption Cash Settlement Price**" is as defined in Condition 5.1;

"**Documents**" is as defined in Condition 13.5(b);

"**DTC**" is as defined in Condition 20;

"**due exercise**" is as defined in Condition 23.4;

"**English Law Agency Agreement**" is as defined in paragraph 7 of these Terms and Conditions;

"**English Law Securities**" means English Law Warrants;

"**English Law Warrants**" is as defined in Condition 19;



"**Entitlement**" is as defined in Condition 19;

"**Established Rate**" is as defined in Condition 17(b);

"**ETI Securities**" is as defined in Condition 2.1;

"**euro**" is as defined in Condition 17(b);

"**Euroclear**" is as defined in Condition 20;

"**Euroclear Agreement**" is as defined in paragraph 5 of these Terms and Conditions;

"**Euroclear Finland**" means Euroclear Finland Ltd. (the Finnish Central Securities Depository);

"**Euroclear Finland Register**" means the register opened in the Euroclear Finland System for Finnish Dematerialised Securities issued or to be issued by the Issuer;

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

"**Euroclear France Securities**" is as defined in Condition 2.2;

"**Euroclear France Warrants**" is as defined in Condition 23.1;

"**Euroclear Registrar**" is as defined in paragraph 5 of these Terms and Conditions;

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

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

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

"**Euronext Paris**" is as defined in Condition 10(a)(i);

"**European Style Warrants**" is as defined in Condition 21;

"**EuroTLX**" is as defined in Condition 19;

"**exercise**" is as defined in Condition 23.4;

"**Exercise Business Day**" is as defined in Condition 19;

"**Exercise Notice**" is as defined in Condition 23.1(a), Condition 24.1, Condition 24.2 and Condition 24.3;

"**Exercise Notice Delivery Date**" is as defined in Condition 24.10(c);

"**Exercise Price**" is as specified in the applicable Final Terms;

"**Expenses**" is as defined in Condition 11.2;

"**Expiration Date**" is as defined in Condition 19;

"**Extraordinary External Event**" is as defined in Condition 15.1;



**"Failure to Deliver due to Illiquidity"** is as defined in Condition 15.1;

**"Failure to Deliver Settlement Price"** is as defined in Condition 15.2(d);

**"Finnish Agency Agreement"** is as defined in paragraph 5 of these Terms and Conditions;

**"Finnish Dematerialised Securities"** means Finnish Dematerialised Warrants;

**"Finnish Dematerialised Warrants"** is as defined in Condition 19;

**"Finnish Record Date"** is as defined in Condition 24.7;

**"Finnish Security Agent"** is as defined in paragraph 4 of these Terms and Conditions and is an account operator specifically authorised by Euroclear Finland and to be appointed by the Issuer in respect of any series of Finnish Dematerialised Securities to process and register issues in the Euroclear Finland System and identified in the applicable Final Terms and acting solely as the agent of the Issuer not assuming any obligation to, or relationship or agency of trust with the Holders;

**"freely tradable"** is as defined in Condition 5.4;

**"Frankfurt Warrant Agent"** is as defined in paragraph 4 of these Terms and Conditions;

**"French Law Agency Agreement"** is as defined in paragraph 7 of these Terms and Conditions;

**"French Law Securities"** means French Law Warrants;

**"French Law Warrants"** is as defined in Condition 19;

**"French Security Agent"** is as defined in paragraph 4 of these Terms and Conditions;

**"Fund Securities"** is as defined in Condition 2.1;

**"Futures Securities"** is as defined in Condition 2.1;

**"FX Settlement Disruption Currency"** is as defined in Condition 5.6(v);

**"FX Settlement Disruption Cut-off Date"** is as defined in Condition 5.6(ii)(A);

**"FX Settlement Disruption Event"** is as defined in Condition 5.6(v);

**"FX Settlement Disruption Exchange Rate"** is as defined in Condition 5.6(v);

**"FX Settlement Disruption Expenses"** is as defined in Condition 5.6(v);

**"FX Settlement Disruption Notice"** is as defined in Condition 5.6(i);

**"GDR/ADR"** is as defined in Condition 2.1;

**"General Meeting"** is as defined in Condition 9.4(b);

**"Global Security"** means Global Warrant;

**"Global Warrant"** is as defined in Condition 20;

**"Government Authority"** is as defined in Condition 15.1;

**"Guarantee"** means the relevant BNPP Guarantee;

"**Guaranteed Cash Settlement Amount**" is as defined in Condition 4;

"**Guarantor**" means BNPP;

"**Hedge**" is as defined in Condition 15.1;

"**Hedging Disruption**" is as defined in Condition 15.1;

"**Hedging Shares**" is as defined in Condition 15.1;

"**Holder**" is as defined in Condition 2.2 and Condition 22;

"**Holder of Securities**" is as defined in Condition 2.2;

"**Hybrid Business Day**" has the meaning given to such term in the applicable Final Terms;

"**Hybrid Securities**" is as defined in Condition 2.1;

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

"**Increased Cost of Hedging**" is as defined in Condition 15.1;

"**Increased Cost of Stock Borrow**" is as defined in Condition 15.1;

"**Index Securities**" is as defined in Condition 2.1;

"**Inflation Index Securities**" is as defined in Condition 2.1;

"**Initial Stock Loan Rate**" is as defined in Condition 15.1;

"**Insolvency Filing**" is as defined in Condition 15.1;

"**Intermediary**" is as defined in Condition 19;

"**Investor Representation Letter**" is as defined in Condition 2.4;

"**Issuer**" is as defined in paragraph 3 of these Terms and Conditions;

"**Italian Dematerialised Securities**" means Italian Dematerialised Warrants;

"**Italian Dematerialised Warrants**" is as defined in Condition 19;

"**Italian Listed Securities**" means Italian Listed Warrants;

"**Italian Listed Warrants**" is as defined in Condition 19;

"**Italian Security Agent**" is as defined in paragraph 4 of these Terms and Conditions;

"**Jurisdiction Event**" is as defined in Condition 15.1;

"**Knock-in Determination Day**" is as defined in Condition 16.7;

"**Knock-in Determination Period**" is as defined in Condition 16.7;

"**Knock-in Event**" is as defined in Condition 16.7;

"**Knock-in Level**" is as defined in Condition 16.7;

"**Knock-in Period Beginning Date**" is as defined in Condition 16.7;

"**Knock-in Period Ending Date**" is as defined in Condition 16.7;

"**Knock-in Range Level**" is as defined in Condition 16.7;

"**Knock-in Valuation Time**" is as defined in Condition 16.7;

"**Knock-out Determination Day**" is as defined in Condition 16.7;

"**Knock-out Determination Period**" is as defined in Condition 16.7;

"**Knock-out Event**" is as defined in Condition 16.7;

"**Knock-out Level**" is as defined in Condition 16.7;

"**Knock-out Period Beginning Date**" is as defined in Condition 16.7;

"**Knock-out Period Ending Date**" is as defined in Condition 16.7;

"**Knock-out Range Level**" is as defined in Condition 16.7;

"**Knock-out Valuation Time**" is as defined in Condition 16.7;

"**Level**" is as defined in Condition 16.7;

"**Local Currency**" is as defined in Condition 15.1;

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

"**Loss of Stock Borrow**" is as defined in Condition 15.1;

"**Luxembourg or Brussels time**" is as defined in Condition 23.4;

"**Madrid Security Agent**" is as defined in paragraph 4 of these Terms and Conditions;

"**Maximum Stock Loan Rate**" is as defined in Condition 15.1;

"**Monte Titoli**" is as defined in Condition 20;

"**National Currency Unit**" is as defined in Condition 17(b);

"**New York Security Agent**" is as defined in paragraph 4 of these Terms and Conditions;

"**New York time**" is as defined in Condition 23.4;

"**Observation Date**" is as defined in Condition 19;

"**Observation Period**" is as defined in Condition 19;

"**Operator**" is as defined in Condition 2.2;

"**Optional Additional Disruption Event**" is as defined in Condition 15.1;

"**Original Currency**" is as defined in Condition 17(a)(ii);

"**Permanent Global Warrant**" is as defined in Condition 20;

**"Physical Delivery Securities"** means Physical Delivery Warrants;

**"Physical Delivery Warrants"** is as defined in Condition 21;

**"Principal Security Agent"** is as defined in paragraph 4 of these Terms and Conditions;

**"Private Placement Definitive Securities"** means Private Placement Definitive Warrants;

**"Private Placement Definitive Warrant"** is as defined in Condition 20;

**"Private Placement Register"** is as defined in Condition 2.2;

**"Proceedings"** is as defined in Condition 14.2;

**"Put Warrants"** is as defined in Condition 21;

**"QIBs"** is as defined in Condition 20;

**"Quota"** is as defined in Condition 25.1(b);

**"Record"** is as defined in Condition 2.2;

**"Register"** is as defined in Condition 22;

**"Registered Global Security"** means a Registered Global Warrant;

**"Registered Global Warrant"** is as defined in Condition 20;

**"Registered Securities"** means Registered Warrants;

**"Registered Warrants"** is as defined in Condition 20;

**"Registrar"** is as defined in paragraph 4 of these Terms and Conditions;

**"Regulation S"** is as defined in Condition 2.1;

**"Regulation S Global Security"** means a Regulation S Global Warrant;

**"Regulation S Global Warrant"** is as defined in Condition 20;

**"Related Expenses"** is as defined in Condition 11.2;

**"Relevant Adjustment Provisions"** is as defined in Condition 16.7;

**"Relevant Currency"** is as defined in Condition 5.6(v);

**"Renouncement Notice"** is as defined in Condition 23.1(a);

**"Rolling Futures Contract Securities"** means a Security that is specified as such in the applicable Final Terms;

**"Rule 144A"** is as defined in Condition 20;

**"Rule 144A Global Security"** means the Rule 144A Global Warrant representing an issue of Rule 144A Warrants;

**"Rule 144A Global Warrant"** is as defined in Condition 20;

**"Rule 144A Warrants"** is as defined in Condition 20;

**"Scheduled Averaging Date"** is as defined in Condition 19;

**"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 (b) and (c) of the definition of Valuation Time, and subject, in respect of Share Securities, to subparagraph (c) of the definition of Valuation Time;

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

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

**"Secured Securities"** is as defined in Condition 2.1;

**"Securities Act"** is as defined in Condition 20;

**"Security Agent"** and **"Security Agents"** are as defined in paragraph 4 of these Terms and Conditions;

**"Security Expenses"** is as defined in Condition 11.1 and Condition 24.3(a)(iv);

**"SeDeX"** is as defined in Condition 19;

**"Settlement Business Day"** is as defined in Condition 5.1;

**"Settlement Date"** is as defined in Condition 19;

**"Settlement Disruption Event"** is as defined in Condition 5.1;

**"SFIA Act"** is as defined in Condition 20;

**"Share"** is as defined in Condition 15.2(d);

**"Share Securities"** is as defined in Condition 2.1;

**"Significant Alteration Event"** is as defined in Condition 15.1;

**"Specified Maximum Days of Disruption"** means (other than with respect to Commodity Securities, Custom Index Securities and Currency Securities) eight Scheduled Trading Days or such other number of Scheduled Trading Days specified in the applicable Final Terms, with respect to Currency Securities, five Scheduled Trading Days, with respect to Custom Index Securities, twenty Custom Index Business Days and with respect to Commodity Securities, five Commodity Business Days;

**"Stop-Loss Event"** is as defined in Condition 15.1;

**"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) where the Securities are 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) 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, 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) where the Securities are 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"** is as defined in Condition 13.1;

**"Substitute Asset"** and **"Substitute Assets"** is as defined in Condition 5.4;

**"Substitute Guarantee"** is as defined in Condition 13.5(b);

**"Substitute Guarantor"** is as defined in Condition 13.5;

**"Substitute Share"** is as defined in Condition 15.2(d);

**"Substitution Date"** is as defined in Condition 15.2(d);

**"Successor Index"** is as defined in Condition 15.2(c);

**"Swedish Agency Agreement"** is as defined in paragraph 4 of these Terms and Conditions;

**"Swedish Dematerialised Securities"** means Swedish Dematerialised Warrants;

**"Swedish Dematerialised Warrants"** is as defined in Condition 19;

**"Swedish Security Agent"** is as defined in paragraph 4 of these Terms and Conditions;

**"Swiss Dematerialised Securities"** means Swiss Dematerialised Warrants;

**"Swiss Dematerialised Warrants"** is as defined in Condition 19;

**"Swiss Materialised Securities"** means Swiss Materialised Warrants;

**"Swiss Materialised Warrants"** is as defined in Condition 19;

**"Swiss Securities"** means Swiss Materialised Securities and Swiss Dematerialised Securities. The terms and conditions of the Swiss Securities will be set forth in the applicable Final Terms;

**"Swiss Security Agent"** means the entity specified in the applicable Final Terms;

**"Taxes"** is as defined in Condition 11.2;

**"Transfer Certificate"** is as defined in Condition 22;

**"Treaty"** is as defined in Condition 17(b);

**"Uncertificated Securities Regulations"** means the Uncertificated Securities Regulations 2001 (as amended, modified or re-enacted and such other regulations made under Sections 783, 784(3), 785 and 788 of the Companies Act 2006 as are applicable to the Euroclear Registrar) for the time being in force;

**"Underlying Reference"** is as defined in Condition 16.7;

**"Underlying Share"** is as defined in Condition 2.1;

**"Units"** is as defined in Condition 21;



"**U.S. Government Securities Business Day**" means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for the purposes of trading in U.S. government securities;

"**U.S. person**" is as defined in Condition 2.1;

"**U.S. Securities**" means U.S. Warrants;

"**U.S. Warrants**" is as defined in Condition 20;

"**Valid Date**" is as defined in Condition 19;

"**Valuation Date**" is as defined in Condition 19;

"**Valuation Time**" is as defined in Condition 19;

"**VP Denmark**" means VP Securities A/S (the Danish Central Securities Depository authorised as such under the Danish Securities Trading Act);

"**VP Denmark Register**" means the register opened in the VP Denmark System for Danish Dematerialised Securities issued or to be issued by the Issuer;

"**VP Denmark System**" means the technical systems at VP Denmark for the registration of Securities and the clearing and settlement of securities transactions; and

"**Warrants**" is as defined in paragraph 3 of these Terms and Conditions.

## 2. TYPE, TITLE AND TRANSFER

### 2.1 Type

The Securities relate to a specified index or basket of indices or futures or options contracts related to a specified index or basket of indices ("**Index Securities**"), 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**"), 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**"), 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**"), a specified commodity or commodity index or basket of commodities and/or commodity indices ("**Commodity Securities**"), a specified inflation index or basket of inflation indices ("**Inflation Index Securities**"), a specified currency or basket of currencies or futures or options contracts related to a specified currency or basket of currencies ("**Currency Securities**"), a specified fund share or unit or fund index or basket of fund shares or units or fund indices ("**Fund Securities**"), a specified futures contract or basket of futures contract(s) ("**Futures Securities**"), a specified underlying interest rate or basket of underlying interest rates ("**Underlying Interest Rate Securities**"), the credit of a specified reference entity or reference entities ("**Credit Securities**"), Securities issued by BNPP B.V. in respect of which BNPP B.V. grants security over certain of its assets ("**Secured Securities**") and/or Securities which relate to any combination of such indices, shares, interests in exchange traded instruments, debt instruments, commodities, commodity indices, inflation indices, currencies, fund shares or units, fund indices, 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.

Securities related to a specified interest in an exchange traded instrument or basket of interests in exchange traded instruments, a specified commodity or commodity index or basket of commodities and/or commodity indices, a specified interest rate or basket of interest rates, a specified inflation index or basket of inflation indices, specified currency or basket of currencies, a specified currency futures contract, a specified fund share or unit or fund index or basket of fund shares or units or fund indices, the credit of a specified reference entity or reference entities, a specified futures contract or basket of futures contracts, or Hybrid Securities related to any of these asset classes, may not at any time be offered, sold, resold, held, traded, pledged, exercised, transferred or delivered, directly or indirectly, in the United States or to, by or for the account or benefit of, persons that are (i) a "U.S. person" as defined in Regulation S under the Securities Act ("**Regulation S**"); or (ii) a person other than a "Non-United States person" as defined in Rule 4.7 under the United States Commodity Exchange Act, as amended (the "**Commodity Exchange Act**"); or (iii) a "U.S. person" as defined in the Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations promulgated by the Commodity Futures Trading Commission (the "**CFTC**"); or (iv) any other "U.S. person" as such term may be defined in Regulation S or in regulations or guidance adopted under the Commodity Exchange Act (each such person, a "**U.S. person**") unless expressly provided for in the applicable Final Terms. Any such applicable U.S. wrapper may restrict the types of Securities that can be offered, sold, resold, held, traded, pledged, exercised, redeemed, transferred or delivered and the terms of such Securities.

If Averaging is specified as applying in the applicable Final Terms, the applicable Final Terms will state the relevant Averaging Dates and, if an Averaging Date is a Disrupted Day, whether Omission, Postponement or Modified Postponement (each as defined in Condition 19) applies.

References in these Terms and Conditions, unless the context otherwise requires, to Cash Settled Securities shall be deemed to include references to (a) Physical Delivery Securities, which include an option (as set out in the applicable Final Terms) at the Issuer's election to request cash settlement of such Security pursuant to Condition 5.3 and where settlement is to be by way of cash payment, and (b) Physical Delivery Securities where settlement is to be automatically varied to be by way of cash payment pursuant to Condition 5.3. References in these Terms and 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 Issuer's election to request physical delivery of the relevant underlying asset in settlement of such Security pursuant to Condition 5.3 and where settlement is to be by way of physical delivery. Unless otherwise specified in the applicable Final Terms, the Issuer does not have the option to vary settlement in respect of the U.S. Securities pursuant to Condition 5.3.

Securities may, if specified in the applicable Final Terms, allow Holders to elect for settlement by way of cash payment or by way of physical delivery or by such other method of settlement as is specified in the applicable Final Terms. Those Securities where the Holder has elected for cash payment will be Cash Settled Securities and those Securities where the Holder has elected for physical delivery will be Physical Delivery Securities. The rights of a Holder as described in this paragraph may be subject to the Issuer's right to vary settlement as indicated in the applicable Final Terms and will be subject to the Issuer's right to substitute assets or pay the Alternate Cash Amount (as defined below) in lieu of physical delivery in accordance with these Conditions.

## 2.2 Title to Securities other than Registered Securities

In the case of Securities represented by a Clearing System Global Security held by a Common Depository on behalf of a relevant Clearing System or held by a relevant Clearing System or by Euroclear France and French Law Securities, each person who is for the time being shown in the records of the relevant Clearing System (in

the case of English Law Securities other than English Law Securities held through Euroclear France) or whose name appears in the account of the relevant Account Holder (in the case of French Law Securities or English Law Securities held through Euroclear France, together "**Euroclear France Securities**") as the holder of a particular amount of such Securities (in which regard any certificate or other document issued by the relevant Clearing System or, as the case may be, Account Holder as to the amount of 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 law) be treated by the Issuer, the Guarantor, if any, and the relevant Security Agent as the holder of such amount of Securities for all purposes (and the expressions "**Holder**" and "**Holder of Securities**" and related expressions shall be construed accordingly).

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

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

In the case of Finnish Dematerialised Securities, the person in whose name the Finnish Dematerialised Security is registered in the book-entry account in the Euroclear Finland Register (including a nominee account holder, as the case may be) shall (except as otherwise required by law) be treated for all purposes by the Issuer, the Guarantor, if any, the Security Agents, Euroclear Finland and all other persons dealing with such person as the holder thereof and as the person entitled to exercise the rights represented thereby (and the expressions "**Holder**" and "**Holder of Securities**" and related expressions shall be construed accordingly). Where a nominee is so evidenced it shall be treated as the holder of the relevant Finnish Dematerialised Securities. The Issuer shall cause such Securities to be accepted by Euroclear Finland for clearing and registration in the Euroclear Finland System in accordance with Finnish laws, rules, regulations and operating procedures applicable to, and/or issued by Euroclear Finland. Notwithstanding any secrecy obligation, the Issuer shall be entitled to obtain information (including but not limited to information on Holders) from the Euroclear Finland Register maintained by Euroclear Finland as registrar on behalf of the Issuer in accordance with the rules of Euroclear Finland, and Euroclear Finland shall be entitled to provide such information to the Issuer notwithstanding any secrecy obligation. Furthermore, the Issuer shall, subject to regulations of Euroclear Finland and applicable laws, be entitled to acquire from Euroclear Finland a list of the holders of Finnish Dematerialised Securities, provided that it is technically possible for Euroclear Finland to maintain such a list. The Issuer shall be entitled to pass such information to the Finnish Security Agent or to authorize such agent to acquire such information from Euroclear Finland directly. Except as ordered by a court of competent jurisdiction or as required by law, the Holder of any Finnish Dematerialised Securities shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and

regardless of any notice of ownership, trust or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the Holder.

In the case of Italian Dematerialised Securities, the person who is for the time being shown in the records of Monte Titoli as the holder of a particular amount of Securities (in which regard any certificate, record or other document issued by Monte Titoli 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 Italian Security Agent and all other persons dealing with such person as the holder thereof and as the person entitled to exercise the rights represented thereby notwithstanding any notice to the contrary (and the expressions "**Holder**" and "**Holder of Securities**" and related expressions shall be construed accordingly, except where Italian law is applicable, in which case "**Holder**" 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, pursuant to Italian legislative decree no. 58/1998 as amended and integrated by subsequent implementing provisions.

Title to French Law Securities held through Euroclear France will be evidenced in accordance with Article L.211-3 of the French *Code Monétaire et Financier* by book-entries (*inscription en compte*). No document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code Monétaire et Financier*) will be issued in respect of such Securities. The French Law Securities held through Euroclear France will, upon issue, be inscribed in the books of Euroclear France which will credit the accounts of the relevant Account Holders.

For the purpose of these Conditions, "**Account Holder**" means any authorised financial intermediary institution entitled to hold accounts, directly or indirectly, on behalf of its customers with Euroclear France, and includes the depositary bank for Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System.

In the case of Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC, the Rule 144A Global Security will be registered in the name of Cede & Co., as nominee of DTC, but this does not confer any rights or benefits on Cede & Co. or any other nominee of DTC in whose name a Rule 144A Global Security may be registered. Transfers of such Rule 144A Global Security by such nominee of DTC shall be limited to transfers of such Rule 144A Global Security, in whole but not in part, to another nominee of DTC or to a successor of DTC or such successor's nominee. Rights conferred by the Rule 144A Global Security are only enforceable by the Holders (as defined below) as provided therein. Subject as set forth in Condition 2.4 below, each person who is for the time being shown in the records of DTC as the Holder of a particular number of Securities shall (except as otherwise required by law) be treated by the Issuer and the New York Security Agent as the Holder of such number or amount, as the case may be, of Securities for all purposes (and the expressions "**Holder of Securities**" and related expressions shall be construed accordingly).

In the case of Private Placement Definitive Securities, the Issuer shall cause to be kept at the principal office of the Definitive Security Agent, a register (the "**Private Placement Register**") on which shall be entered the names and addresses of all holders of Private Placement Definitive Securities, the number or amount, as the case may be, and type of Private Placement Definitive Securities held by them and details of all transfers of Private Placement Definitive Securities. Subject as set forth in Condition 2.4 below, the persons shown in the Private Placement Register (each a "**Holder**") shall (except as otherwise required by law) be treated as the absolute owners of the relevant Private Placement Definitive Securities for all purposes (regardless of any notice of ownership, trust, or any interest in it, any writing on it, or its theft or loss) and no person will be liable for so treating such person.

In the case of CREST Dematerialised Securities, title to CREST Dematerialised Securities is recorded on the relevant Operator register of eligible debt securities. The Euroclear Registrar on behalf of BNPP B.V. as Issuer will maintain a record of uncertificated eligible debt securities (the "**Record**") in relation to the CREST Dematerialised Securities and will procure that the Record is regularly updated to reflect the Operator register of eligible debt securities in accordance with the rules of the Operator. Subject to this requirement, (i) each person who is for the time being shown in the Record as the holder of a particular number of CREST Dematerialised Securities shall be treated by BNPP B.V. as Issuer, BNPP as Guarantor, the Euroclear Registrar and any other person as the holder of such number of CREST Dematerialised Securities for all purposes (and the expressions "**Holder**" and "**Holder of Securities**" and related expressions in the context of CREST Dematerialised Securities shall be construed accordingly), and (ii) none of BNPP B.V. as Issuer, BNPP as Guarantor, the Euroclear Registrar and any other person shall be liable in respect of any act or thing done or omitted to be done by it or on its behalf in reliance upon the assumption that the particulars entered in the Record which the Euroclear Registrar maintains are in accordance with particulars entered in the Operator register of eligible debt securities relating to the CREST Dematerialised Securities.

No provisions of these Conditions as completed by the applicable Final Terms shall (notwithstanding anything contained therein) apply or have effect to the extent that it is in any respect inconsistent with (I) the holding of title to CREST Dematerialised Securities in uncertificated form, (II) the transfer of title to CREST Dematerialised Securities by means of a relevant system or (III) the Uncertificated Securities Regulations. Without prejudice to the generality of the preceding sentence and notwithstanding anything contained in these Conditions or the applicable Final Terms, so long as the CREST Dematerialised Securities are participating securities, (A) the Operator register of eligible debt securities relating to the CREST Dematerialised Securities shall be maintained at all times outside the United Kingdom, (B) the CREST Dematerialised Securities may be issued in uncertificated form in accordance with and subject as provided in the Uncertificated Securities Regulations, and (C) for the avoidance of doubt, the Conditions and the applicable Final Terms in relation to any CREST Dematerialised Security shall remain applicable notwithstanding that they are not endorsed on any certificate for such CREST Dematerialised Security.

As used herein each of "**Operator register of eligible debt securities**", "**participating securities**" and "**relevant system**" is as defined in the Uncertificated Securities Regulations and the relevant Operator (as such term is used in the Uncertificated Securities Regulations) is Euroclear UK & Ireland Limited or any additional or alternative operator from time to time approved by BNPP B.V. as Issuer, BNPP as Guarantor and the Euroclear Registrar in relation to the CREST Dematerialised Securities and in accordance with the Uncertificated Securities Regulations. Any reference herein to the "**Operator**" shall, whenever the context so permits, be deemed to include a reference to any such additional or alternative Operator from time to time and notified to the Holders of CREST Dematerialised Securities in accordance with Condition 10 (*Notices*).

2.3 Provisions relating to title to Registered Warrants are set out in Condition 22.

2.4 Transfers of Interests in Clearing System Securities and Private Placement Definitive Securities

Transfers of Warrants may not be effected after the exercise of such Warrants pursuant to Condition 24.

Subject as set forth in this Condition, all transactions (including permitted transfers of Securities) in the open market or otherwise must be effected, in the case of CBF Warrants, through an account at Clearstream, Frankfurt or, in the case of Securities represented by a Clearing System Global Security held by a Common Depository on behalf of Clearstream, Luxembourg or Euroclear and/or any other relevant Clearing System, or Euroclear France, through an account at Clearstream, Luxembourg or Euroclear, as the case may be, and/or any other relevant Clearing System, or in the case of Euroclear France Securities, through Account Holder(s), or in the case of Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC, through a direct or indirect participant of DTC, subject to and in accordance with the rules and procedures for



the time being of the relevant Clearing System(s). Transfers in respect of Clearing System Securities governed by French Law must be effected through Account Holders(s). Title will pass upon registration of the transfer in the books of the relevant Clearing System.

Any reference herein to Clearstream, Luxembourg and/or Euroclear and/or DTC and/or Monte Titoli and/or Clearstream, Frankfurt and/or any other relevant Clearing System shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer and the Principal Security Agent from time to time and notified to the Holders in accordance with Condition 10.

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

- (a) Transfers of Securities to a person who takes delivery in the form of Securities represented by a Regulation S Global Security or Rule 144A Global Security may be made only in accordance with the following provisions:
  - (i)
    - (A) in the case of transfers to a person who takes delivery in the form of Securities represented by a Regulation S Global Security, from a Holder of Securities represented by a Regulation S Global Security, to a non-U.S. person in an offshore transaction pursuant to Regulation S and CFTC regulations and guidance;
    - (B) in the case of transfers to a person who takes delivery in the form of Securities represented by a Regulation S Global Security, from a Holder of Private Placement Definitive Securities, upon certification (in the form from time to time available from any Security Agent) to the Principal Security Agent by the transferor thereof that such transfer is being made to a non-U.S. person in an offshore transaction pursuant to Regulation S and CFTC regulations and guidance;
    - (C) in the case of transfers to a person who takes delivery in the form of Securities represented by a Rule 144A Global Security, from a Holder of Private Placement Definitive Securities, upon certification (in the form from time to time available from any Security Agent) to the New York Security Agent by the transferor thereof that such transfer is being made to a person whom the transferor reasonably believes is (x) a QIB, in the case of U.S. Securities issued by BNPP or (y) a QIB and a QP, in the case of U.S. Securities issued by BNPP B.V., and, in either case, acquiring such Securities in a transaction meeting the requirements of Rule 144A;
    - (D) in the case of transfers to a person who takes delivery in the form of Securities represented by a Rule 144A Global Security, from a Holder of Securities represented by a Rule 144A Global Security, in a transaction meeting the requirements of Rule 144A and, in the case of Securities issued by BNPP B.V. in accordance with paragraph (d) below;
    - (E) in the case of transfers to a person who takes delivery in the form of Securities represented by a Regulation S Global Security, from a Holder of Securities represented by a Rule 144A Global Security, upon certification (in the form from time to time available from any Security Agent) to the Principal Security Agent by the transferor thereof that such transfer is being made to a non-U.S. person in an

offshore transaction pursuant to Regulation S and CFTC regulations and guidance;  
and

- (F) in each case, in accordance with any applicable rules and regulations of the Principal Security Agent, the New York Security Agent, the Definitive Security Agent, the relevant Clearing System and/or as specified in the applicable Final Terms.

(ii) The Holder must send:

- (A) in the case of transfers of Private Placement Definitive Securities, a free of payment instruction to the Definitive Security Agent, not later than 5.00 p.m., New York City time, at least two Business Days in New York prior to the date on which the transfer is to take effect;
- (B) in the case of transfers of Securities represented by a Regulation S Global Security or Rule 144A Global Security held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, a free of payment instruction to Clearstream, Luxembourg or Euroclear and/or any other relevant Clearing System, as the case may be, not later than 10.00 a.m. local time in the city of the relevant Clearing System, one Business Day in the city of the relevant Clearing System prior to the date on which the transfer is to take effect; and
- (C) in the case of transfers of Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC, a free of payment instruction to DTC, not later than 5.00 p.m. New York City time, at least two Business Days in New York prior to the date on which the transfer is to take effect.

Separate payment arrangements are required to be made between the transferor and the transferee.

(iii) On the transfer date:

- (A) (I) in the case of transfers of Securities represented by a Regulation S Global Security or a Rule 144A Global Security, the relevant Clearing System will debit the account of its participant and (II) in the case of transfers of Private Placement Definitive Securities, the Holder must deliver the Private Placement Definitive Securities the subject of the transfer to the Definitive Security Agent and instruct the Definitive Security Agent to cancel the transferred Private Placement Definitive Securities; and
- (B) the relevant Clearing System or the Holder, as the case may be, will instruct (I) in the case of transfers to a person who takes delivery in the form of Securities represented by a Regulation S Global Security or a Rule 144A Global Security held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, the Principal Security Agent to instruct Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, as the case may be, to credit the relevant account of the relevant Clearing System participant, and (II) in the case of transfers to a person who takes delivery in the form of Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC, (a) the New York Security Agent (in the case of transfers of

Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC) to credit the relevant account of the DTC participant, (b) the Definitive Security Agent (in the case of transfers of Private Placement Definitive Securities) to credit the relevant account of the DTC participant, or (c) the Principal Security Agent (in the case of transfers of Securities represented by a Regulation S Global Security or a Rule 144A Global Security held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System) to instruct DTC to credit the relevant account of the relevant Clearing System at DTC and thereafter DTC will debit such account of the relevant Clearing System, and will credit the relevant account of the DTC participant.

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

- (A) the Principal Security Agent, in the case of transfers to and/or from a person who takes delivery in the form of Securities represented by a Regulation S Global Security or a Rule 144A Global Security held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, will increase or decrease, if appropriate, the number of Securities represented by such Regulation S Global Security or Rule 144A Global Security, whereupon the number of Securities represented by such Regulation S Global Security or Rule 144A Global Security, as the case may be, shall be increased or decreased, if appropriate, for all purposes by the number so transferred and endorsed; or
- (B) the New York Security Agent, in the case of transfers to and/or from a person who takes delivery in the form of Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC, will increase or decrease, if appropriate, the number of Securities represented by such Rule 144A Global Security, whereupon the number of Securities represented by such Rule 144A Global Security shall be increased or decreased, if appropriate, for all purposes by the number so transferred and endorsed.

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

- (i) (A) in the case of transfers from a Holder of Private Placement Definitive Securities, upon (I) delivery of a duly executed investor representation letter from the relevant transferee in accordance with paragraph (c) below and (II) certification (in the form from time to time available from any Security Agent) to the Definitive Security Agent by the transferor thereof that such transfer is being made to (x) a person whom the transferor reasonably believes is an AI acquiring such Securities in a transaction exempt from the registration requirements of the Securities Act, in the case of U.S. Securities issued by BNPP or (y) a person whom the transferor reasonably believes is a QIB and a QP in a transaction meeting the requirements of Rule 144A, in the case of U.S. Securities issued by BNPP B.V.;
- (B) in the case of transfers from a Holder of Securities represented by a Rule 144A Global Security, upon (I) delivery of a duly executed investor representation letter from the relevant transferee in accordance with paragraph (c) below and (II) certification (in the form from time to time available from any Security Agent) to the Definitive Security Agent by the transferor thereof that such transfer is being



made to (x) a person whom the transferor reasonably believes is an AI acquiring such Securities in a transaction exempt from the registration requirements of the Securities Act, in the case of U.S. Securities issued by BNPP or (y) a person whom the transferor reasonably believes is a QIB and a QP in a transaction meeting the requirements of Rule 144A, in the case of U.S. Securities issued by BNPP B.V.; and

- (C) in each case, in accordance with any applicable securities laws of any state of the United States and any applicable rules and regulations of the New York Security Agent, the Definitive Security Agent, the relevant Clearing System and/or as specified in the applicable Final Terms.

(ii) The Holder must send:

- (A) in the case of transfers of Private Placement Definitive Securities, a free of payment instruction to the Definitive Security Agent not later than 5.00 p.m. New York City time, at least two Business Days in New York prior to the date on which the transfer is to take effect;
- (B) in the case of transfers of Securities represented by a Regulation S Global Security or a Rule 144A Global Security held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, a free of payment instruction to Clearstream, Luxembourg or Euroclear and/or any other relevant Clearing System, as the case may be, not later than 10.00 a.m. local time in the city of the relevant Clearing System, one Business Day in the city of the relevant Clearing System prior to the date on which the transfer is to take effect; and
- (C) in the case of transfers of Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC, a free of payment instruction to DTC, not later than 5.00 p.m. New York City time, at least two Business Days in New York prior to the date on which the transfer is to take effect.

Separate payment arrangements are required to be made between the transferor and the transferee.

(iii) On the transfer date:

- (A) in the case of transfers of Securities represented by a Clearing System Global Security, the relevant Clearing System will debit the account of its participant and, in the case of transfers of Private Placement Definitive Securities, the Holder must deliver the Private Placement Definitive Securities the subject of the transfer to the Definitive Security Agent and instruct the Definitive Security Agent to cancel the transferred Private Placement Definitive Securities; and
- (B) the relevant Clearing System or the Holder, as the case may be, will instruct the Definitive Security Agent to deliver or procure the delivery of new Private Placement Definitive Securities, of a like number to the number of Securities transferred, to the transferee at its specified office or send such new Private Placement Definitive Securities, by uninsured mail, at the risk of the transferee, to such address as the transferee may request.

- (iv) Upon any such transfer, on the transfer date:
- (A) the Principal Security Agent will, in the case of transfers of Securities represented by a Regulation S Global Security or Rule 144A Global Security held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, decrease the number of Securities represented by such Regulation S Global Security or Rule 144A Global Security, if appropriate, whereupon the number of Securities represented by such Regulation S Global Security or Rule 144A Global Security shall, if appropriate, be reduced for all purposes by the number so transferred or exchanged and endorsed; or
  - (B) the New York Security Agent will, in the case of transfers of Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC, decrease the number of Securities represented by such Rule 144A Global Security, if appropriate, whereupon the number of Securities represented by such Rule 144A Global Security shall, if appropriate, be decreased for all purposes by the number so transferred and endorsed.
- (c) In the case of transfers of Securities to a person who takes delivery in the form of a Private Placement Definitive Security, the delivery of a duly executed investor representation letter in the form set out in the Agency Agreement (an "**Investor Representation Letter**") from the relevant transferee to the Definitive Security Agent is a condition precedent to the transfer of such Private Placement Definitive Security or any beneficial interests therein. The Investor Representation Letter must be duly executed by such proposed transferee or such proposed transferee's attorney duly authorised in writing, at least three Business Days in New York prior to the date the transfer of such Private Placement Definitive Security is desired. Any attempted transfer in which the Investor Representation Letter and the proposed transfer was not effected in accordance with the foregoing procedures shall not be valid or binding on the Issuer.

If (i) the Principal Security Agent (in relation to Regulation S Global Securities or Rule 144A Global Securities held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System) or (ii) the New York Security Agent (in relation to Rule 144A Global Securities held by a Custodian on behalf of DTC) or (iii) the Definitive Security Agent (in relation to Private Placement Definitive Securities) subsequently determines or is subsequently notified by the Issuer that (A) a transfer or attempted or purported transfer of any interest in a Private Placement Definitive Security was consummated in compliance with the provisions of this paragraph on the basis of an incorrect form or certification from the transferee or purported transferee as set forth in the relevant Investor Representation Letter, or (B) the Holder of any interest in any Security was in breach, at the time given, of any representation or agreement given by such Holder (including, but not limited to, in the case of Private Placement Definitive Securities, any such representation or agreement set forth in the relevant Investor Representation Letter) or (iii) a transfer or attempted transfer of any interest in any Security was consummated that did not comply with the transfer restrictions set forth in this Condition 2.4, the purported transfer shall be absolutely null and void *ab initio* and shall vest no rights in the purported transferee (such purported transferee, a "**Disqualified Transferee**") and the last preceding Holder of such interest that was not a Disqualified Transferee shall be restored to all rights as a Holder thereof retroactively to the date of transfer of such interest by such Holder.

- (d) In the case of transfers of Securities to a person who takes delivery in the form of Securities represented by a Rule 144A Global Security the transferor shall have agreed in an Investor Representation Letter to certain restrictions on transfer and, the transfer shall be subject to the

delivery of a duly executed Investor Representation Letter from the relevant transferee to BNPP or BNPP B.V. as applicable. Any attempted transfer that is not in accordance with the procedures set forth in the transferor's Investor Representation Letter and with any procedures set forth in any applicable U.S. wrapper to the Base Prospectus shall not be valid or binding on BNPP or BNPP B.V..

2.5 Provisions relating to the transfer of Registered Warrants are set out in Condition 22.

2.6 Transfer of Swedish Dematerialised Securities

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

2.7 Transfer of Finnish Dematerialised Securities

Title to Finnish Dematerialised Securities shall pass by transfer from a Holder's book-entry account to another person's, whether a legal person or an individual, book-entry account within Euroclear Finland (except where the Finnish Dematerialised Securities are nominee-registered and are transferred from one account to another account with the same nominee). Finnish Dematerialised Securities will be transferable only in accordance with the legislation, rules and regulations applicable to, and/or issued by, Euroclear Finland.

2.8 Transfer of Italian Dematerialised Securities

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

2.9 Transfer of Danish Dematerialised Securities

Title to Danish Dematerialised Securities will pass upon entry in the VP Denmark Register (or, if applicable, notice to a nominee under the terms of the Danish Securities Trading Act) in accordance with the provisions of the Danish Securities Trading Act.

2.10 Transfer of CREST Dematerialised Securities

All transactions (including transfers) in respect of CREST Dematerialised Securities in the open market or otherwise must be effected through an account at the Operator subject to and in accordance with the rules and procedures for the time being of the Operator. Title will pass upon registration of the transfer in the Operator register of eligible debt securities.

### **3. STATUS OF THE SECURITIES AND GUARANTEE**

Where the Issuer is BNPP B.V. or BNPP the Securities are unsubordinated and unsecured obligations of the relevant Issuer and rank *pari passu* among themselves.

Where the Issuer is BNPP B.V., the Guarantee is an unsubordinated and unsecured obligation of BNPP and will rank *pari passu* with all its other present and future unsubordinated and unsecured obligations subject to such exceptions as may from time to time be mandatory under French law.

The term "unsubordinated obligations" refers in the case of securities issued by BNPP, to senior preferred obligations which fall or are expressed to fall within the category of obligations described in article L613-30-3-I-3°. of the *French Code monétaire et financier*. Additionally, the Issuers may not issue senior non-preferred securities pursuant to these Terms and Conditions.

Unless Waiver of Set-Off is specified as not applicable in the applicable Final Terms, no Holder may exercise or claim any Waived Set-Off Rights against any right, claim, or liability the Issuer (or, if applicable, the

Guarantor) has or may have or acquire against such holder, directly or indirectly, howsoever arising (and, for the avoidance of doubt, including all such rights, claims and liabilities arising under or in relation to any and all agreements or other instruments of any sort or any non-contractual obligations, in each case whether or not relating to the relevant Securities) and each such holder shall be deemed to have waived all Waived Set-Off Rights to the fullest extent permitted by applicable law in relation to all such actual and potential rights, claims and liabilities.

For the avoidance of doubt, nothing in this Condition 3 is intended to provide or shall be construed as acknowledging any right of deduction, set-off, netting, compensation, retention or counterclaim or that any such right is or would be available to any holder of any Security but for this Condition 3.

For the purposes of this Condition 3, "**Waived Set-Off Rights**" means any and all rights of or claims of any holder of any Security for deduction, set-off, netting, compensation, retention or counterclaim arising directly or indirectly under or in connection with any such Security.

#### 4. **GUARANTEE**

Where the Issuer is BNPP B.V. subject as provided below and in the relevant Guarantee, the Guarantor has unconditionally and irrevocably (a) guaranteed to each Holder all obligations of the Issuer in respect of such Holder's Securities as and when such obligations become due and (b) agreed that if and each time that the Issuer fails to satisfy any obligations under such Securities as and when such obligations become due, the Guarantor will after a demand has been made on the Guarantor pursuant thereto (without requiring the relevant Holder first to take steps against the Issuer or any other person) make or cause to be made such payment or satisfy or cause to be satisfied such obligations as though the Guarantor were the principal obligor in respect of such obligations provided that in the case of Securities other than Credit Securities (i) in the case of Physical Delivery Warrants that are Call Warrants, notwithstanding that the Issuer had the right to vary settlement in respect of such Physical Delivery Securities in accordance with Condition 5.3 and exercised such right or failed to exercise such right, the Guarantor will have the right to elect not to deliver or procure delivery of the Entitlement to the Holders of such Physical Delivery Securities, but in lieu thereof, to make payment in respect of each such Physical Delivery Security of an amount determined by the Guarantor acting in good faith and in a commercially reasonable manner equal to the Cash Settlement Amount that would have been payable upon exercise of such Securities assuming they were Cash Settled Securities calculated pursuant to the terms of the relevant Final Terms, or in the case of lack of liquidity of the underlying, the fair market value of such Security less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the costs of unwinding any underlying related hedging arrangements (the "**Guaranteed Cash Settlement Amount**") and (ii) in the case of Securities where the obligations of the Issuer which fail to be satisfied by the Guarantor constitute the delivery of the Entitlement to the Holders, the Guarantor will as soon as practicable following the failure by the Issuer to satisfy its obligations under such Securities deliver or procure delivery of such Entitlement using the method of delivery specified in the applicable Final Terms provided that, if in the opinion of the Guarantor, delivery of the Entitlement using such method is not practicable by reason of (A) a Settlement Disruption Event (as defined in Condition 5.1) or (B) if "Failure to Deliver due to Illiquidity" is specified as applying in the applicable Final Terms, a Failure to Deliver due to Illiquidity (as defined in Condition 15.1), in lieu of such delivery the Guarantor will make payment in respect of each such Security of, in the case of (A) above, the Guaranteed Cash Settlement Amount or, in the case of (B) above, the Failure to Deliver Settlement Price (as defined in Condition 15.2). Any payment of the Guaranteed Cash Settlement Amount or the Failure to Deliver Settlement Price, as the case may be, in respect of a Security shall constitute a complete discharge of the Guarantor's obligations in respect of such Security. Payment of the Guaranteed Cash Settlement Amount as the Failure to Deliver Settlement Price, as the case may be, will be made in such manner as shall be notified to the Holders in accordance with Condition 10.

## 5. GENERAL PROVISIONS RELATING TO SETTLEMENT IN RESPECT OF SECURITIES

### 5.1 Physical Settlement Disruption

If, in the opinion of the Calculation Agent, delivery of the Entitlement using the method of delivery specified in the applicable Final Terms or such commercially reasonable manner as the Calculation Agent has determined is not practicable by reason of a Settlement Disruption Event (as defined below) having occurred and continuing on any Settlement Date, then such Settlement 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 Issuer may elect to satisfy its obligations in respect of the relevant Security or, if applicable, Unit, as the case may be, by delivering the Entitlement using such other commercially reasonable manner as it may select and in such event the Settlement Date shall be such day as the Issuer deems appropriate in connection with delivery of the Entitlement in such other commercially reasonable manner. For the avoidance of doubt, where a Settlement Disruption Event affects some but not all of the Relevant Assets comprising the Entitlement, the Settlement Date as the case may be, for the Relevant Assets not affected by the Settlement Disruption Event will be the originally designated Settlement Date.

In the event that a Settlement Disruption Event will result in the delivery on a Settlement Date of some but not all of the Relevant Assets comprising the Entitlement, the Calculation Agent shall determine in its discretion the appropriate *pro rata* portion of the Exercise Price to be paid by the relevant Holder in respect of that partial settlement.

For so long as delivery of the Entitlement is not practicable by reason of a Settlement Disruption Event, then in lieu of physical settlement and notwithstanding any other provision hereof, except in the case of U.S. Securities (in which case another price or prices will be specified in the applicable Final Terms), the Issuer may elect to satisfy its obligations in respect of the relevant Security or if applicable, Unit, as the case may be, by payment to the relevant Holder of the Disruption Cash Settlement Price (as defined below) on the fifth Business Day following the date that notice of such election is given to the Holders in accordance with Condition 10. Payment of the Disruption Cash Settlement Price will be made in such manner as shall be notified to the Holders in accordance with Condition 10. The Calculation Agent shall give notice as soon as practicable to the Holders in accordance with Condition 10 that a Settlement Disruption Event has occurred. No Holder shall be entitled to any payment in respect of the relevant Security or, if applicable, Unit, as the case may be, in the event of any delay in the delivery of the Entitlement due to the occurrence of a Settlement Disruption Event and no liability in respect thereof shall attach to the Issuer or the Guarantor (if any).

For the purposes hereof:

**"Disruption Cash Settlement Price"** means, in respect of any relevant Security or, if applicable, Unit, as the case may be, the fair market value of such Security or, if applicable, Unit, as the case may be (disregarding, where the Settlement Disruption Event affected some but not all of the Relevant Assets comprising the Entitlement and such non-affected Relevant Assets have been duly delivered as provided above, the value of such non-affected Relevant Assets), 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, plus, if applicable and if already paid, the Exercise Price (or, where as provided above some Relevant Assets have been delivered, and a *pro rata* portion thereof has been paid, such *pro rata* portion);

**"Settlement Business Day"** has the meaning specified in the applicable Final Terms; and

**"Settlement Disruption Event"** means, in the opinion of the Calculation Agent or, if the proviso to Condition 4 applies, the Guarantor, an event beyond the control of the Issuer or, if the proviso to Condition 4

applies, the Guarantor, as a result of which the Issuer or the Guarantor, as the case may be, cannot make delivery of the Relevant Asset(s) using the method specified in the applicable Final Terms.

5.2 Failure to Deliver due to Illiquidity

**"Failure to Deliver due to Illiquidity"**, if specified as applying in the applicable Final Terms, will be an Optional Additional Disruption Event, as described in Condition 15.1.

5.3 Variation of Settlement

- (a) If the applicable Final Terms indicate that the Issuer has an option to vary settlement in respect of the Securities (which, unless otherwise specified, will not apply to U.S. Securities), and subject to a valid exercise of the Warrants in accordance with these Conditions, the Issuer may in respect of each such Security or Unit, elect not to pay the relevant Holders the Cash Settlement Amount or to deliver or procure delivery of the Entitlement to the relevant Holders, as the case may be, but, in lieu thereof to deliver or procure delivery of the Entitlement or make payment of the Cash Settlement Amount on the Settlement Date to the relevant Holders, as the case may be. Notification of such election will be given to Holders in accordance with Condition 10.
- (b) If specified in the applicable Final Terms, and subject to a valid exercise of Warrants in accordance with these Conditions, the Issuer shall, in respect of each such Security or each Unit, in lieu of delivering or procuring the delivery of the Entitlement to the relevant Holders, make payment of the Cash Settlement Amount on the Settlement Date to the relevant Holders.

5.4 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 exercise 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 Holders, but in lieu thereof to make payment to the relevant Holders on the Settlement Date of an amount equal to the fair market value of the Entitlement on the Valuation Date as determined by the Calculation Agent 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 Holders in accordance with Condition 10.

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.

5.5 Commodity Securities shall not be Physical Delivery Securities.



## 5.6 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 was not attributable to the 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 Issuer shall give notice (a "**FX Settlement Disruption Notice**") to the Holders in accordance with Condition 10 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 (i) 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 (ii) 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)(i) above, the Issuer will pay or cause to be paid the relevant Disrupted Amount, less (except in the case of Italian Listed Securities) FX Settlement Disruption Expenses (if any), in the Settlement Currency or (ii) in the case of (A)(ii) 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 (except in the case of Italian Listed Securities) 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)(ii) 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, nothing contained in this Condition 5.6 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 Condition 15 shall prevail in the event of any conflict between this Condition 5.6 and Condition 15.

- (v) For these purposes:

**"Disrupted Amount"** means any Cash Settlement 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; and

**"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 Reals ("**BRL**"), Canadian Dollars ("**CAD**"), Swiss Francs ("**CHF**"), Chilean Pesos ("**CLP**"), Chinese Yuan ("**CNY**"), Czech Republic Korun ("**CZK**"), Danish Kroner ("**DKK**"), Great British Pounds ("**GBP**"), Ghanaian 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**").

## 6. GENERAL

None of the Issuers, the Guarantor (if applicable), the Calculation Agent, the Euroclear Registrar (if applicable) and any Security Agent shall have any responsibility for any errors or omissions (to the extent permitted by any applicable law) in the calculation of any Cash Settlement Amount or of any Entitlement unless, in the case of Italian Listed Securities, such errors or omissions are due to its own wilful misconduct or gross negligence.

The 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, determination, modification 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, determination, modification or adjustment shall not create a significant imbalance between the rights and obligations of the Issuer compared to the Holders, to the detriment of the Holders.

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 Warrants (other than modifications or adjustments that do not relate to essential characteristics of the Warrants) or cancel the Warrants prior to their scheduled Exercise Date (in the case of European Style Warrants) or Expiration Date (in the case of American Style Warrants), as described in the Terms and 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 Warrants compared to the economics as of the Issue Date, or (b) constitutes a force majeure.

For the purpose of this Condition, essential characteristics of the Warrants means characteristics of the Warrants that are considered essential to the Holders generally, including without limitation the Underlying Reference, the principal protected amount (if any), the identity of the Issuer and of the Guarantor and the scheduled Exercise Date (in the case of European Style Warrants) or Expiration Date (in the case of American Style Warrants).

## **7. ILLEGALITY AND FORCE MAJEURE**

### **7.1 Illegality**

If the Issuer determines that the performance of its obligations under the Securities has become illegal in whole or in part for any reason, the Issuer may cancel all but not some only of the Securities by giving notice to Holders in accordance with Condition 10, provided that, if such illegality also constitutes a force majeure, the provisions of Condition 7.2 will apply.

If the Issuer cancels the Securities then the Issuer will, if and to the extent permitted by applicable law, and except as may be limited in the case of U.S. Securities:

- (a) if Highest Value is specified as applicable in the applicable Final Terms, the Issuer will pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 26.1; or
- (b) if Market Value is specified in the applicable Final Terms, the Issuer will pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 26.2; or
- (c) otherwise, the Issuer will pay an amount to each Holder in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder, which amount shall be equal to the fair market value of a Security or Unit, as the case may be, notwithstanding such illegality less, except in the case of Italian Listed Securities or 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 plus, if applicable and if already paid by or on behalf of the Holder, the Exercise Price, 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 Holders in accordance with Condition 10.

Should any one or more of the provisions contained in these Terms and Conditions be or become invalid, the validity of the remaining provisions shall not in any way be affected thereby.

## 7.2 Force Majeure

If the Issuer determines that by reason of force majeure or act of state occurring after the Trade Date it becomes impossible to perform its obligations under the Securities, the Issuer may either (i) take the action described in Condition 15.2(a), or if applicable (c) or (d) or (save that references to "Additional Disruption Event" and/or "Optional Additional Disruption Event", as applicable, will be deemed to be references to "force majeure") (ii) cancel all but not some only of the Securities by giving notice to Holders in accordance with Condition 10.

If the Issuer cancels the Securities then the Issuer will:

- (a) if Condition 7.2(a) is specified in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder, which amount shall be equal to the fair market value of a Security or Unit, as the case may be, taking into account such force majeure or act of state, provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Securities at their fair market value) and no such costs shall be deducted; or
- (b) if Condition 7.2(b) is specified in the applicable Final Terms, if and to the extent possible or practicable, pay an amount (if any) to each Holder in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder, which amount shall be equal to the fair market value (if any) of a Security or Unit, as the case may be, taking into account such force majeure or act of state less, except in the case of Italian Listed Securities or 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 plus, if applicable and if already paid by or on behalf of the Holder, the Exercise Price, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner.

Any payment will be made in such manner as shall be notified to the Holders in accordance with Condition 10.

## 8. PURCHASES

Purchase and cancellation by BNPP B.V. in respect of any Securities and by BNPP in respect of Warrants

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. Securities so purchased may be held or resold or surrendered for cancellation, provided however, that Securities so purchased may only be resold pursuant to an exemption from the registration requirements of the Securities Act provided by Rule 144A, Regulation S or otherwise thereunder and, in the case of a purchase or cancellation of Securities that are CREST Dematerialised Securities, such securities must be transferred to the Euroclear Registrar for cancellation.

## 9. SECURITY AGENTS, REGISTRAR, DETERMINATIONS, MEETINGS PROVISIONS AND MODIFICATIONS

### 9.1 Security Agents and Registrar

The specified offices of each of the Security Agents and the Registrar are as set out at the end of these Terms and Conditions.

Each of the Issuer and the Guarantor, if any, reserves the right at any time to vary or terminate the appointment of any Security Agent or the Registrar and to appoint further or additional Security Agents or a further or additional Registrar, provided that no termination of appointment of the Security Agent or the Registrar, as the case may be, shall become effective until a replacement Security Agent or a replacement Registrar, as the case may be, shall have been appointed and provided that, so long as any of the Securities are listed on a stock exchange or are admitted to trading by another relevant authority, there shall be a Security Agent having a specified office in each location required by the rules and regulations of the relevant stock exchange or other relevant authority and, if the Securities are Registered Securities, there shall be a Registrar. So long as any of the Securities are Private Placement Definitive Securities, there shall be a Definitive Security Agent, and so long as any of the Securities are represented by a Rule 144A Global Security held by a Custodian on behalf of DTC, there shall be a New York Security Agent. For so long as any of the Securities are CBF Warrants there shall be a Frankfurt Warrant Agent. Notice of any termination of appointment and of any changes in the specified office of any of the Security Agents or the Registrar will be given to Holders in accordance with Condition 10. In acting under the Agency Agreement, the Security Agent and the Registrar act solely as agents of the Issuer and the Guarantor, if any, and do not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders and any determinations and calculations made in respect of the Securities by the Security Agent or the Registrar shall (save in the case of manifest error) be final, conclusive and binding on the Issuer, the Guarantor, if any, and the respective Holders.

In the case of CREST Dematerialised Securities, BNPP B.V. is entitled to vary or terminate the appointment of the Euroclear Registrar, provided that (a) there will at all times be a Euroclear Registrar and (b) so long as the Securities are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Euroclear Registrar with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority. In acting under the Euroclear Agreement, the Euroclear Registrar acts solely as agent of BNPP B.V. as Issuer and BNPP as Guarantor and does not assume any obligation to, or relationship of agency or trust with the Holders.

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

In the case of Finnish Dematerialised Securities the relevant Issuer is entitled to vary or terminate the appointment of the Finnish Security Agent, provided that it appoints another Finnish Security Agent, that is duly authorised under the Finnish Act on the Book-Entry System and Clearing (*Fin. laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* (749/2012)) as an account operator.

In the case of Danish Dematerialised Securities the relevant Issuer is entitled to vary or terminate the appointment of the Danish Security Agent, provided that it appoints another Danish Security Agent that is duly authorised under the Danish Securities Trading Act as an account operator.

## 9.2 Calculation Agent

In relation to each issue of Securities, the Calculation Agent (whether it be BNP Paribas, BNP Paribas Arbitrage S.N.C. or another entity) acts solely as agent of the Issuer and the Guarantor, if any, and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders. All calculations and determinations made in respect of the Securities by the Calculation Agent shall (save in the case of manifest error) be final, conclusive and binding on the Issuer, the Guarantor, if any, and the Holders. Because the Calculation Agent may be an Affiliate of the Issuer, potential conflicts of interest may exist between the Calculation Agent and the Holders, including with respect to certain determinations and judgments that the Calculation Agent must make.

The Calculation Agent may, with the consent of the Issuer, delegate any of its obligations and functions to a third party as it deems appropriate.

### 9.3 Determinations by the Issuer and the Guarantor

Any determination made by the Issuer or the Guarantor, if any, pursuant to these Terms and Conditions shall, to the extent permitted by applicable law, (save in the case of manifest error) be final, conclusive and binding on the Issuer, the Guarantor, if any, and the Holders.

### 9.4 Meetings of Holders

#### (a) English Law Securities

The Agency Agreement or (in the case of the CREST Dematerialised Securities) the Euroclear Agreement contains provisions for convening meetings of the Holders of English Law Securities to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Agency Agreement or, (in the case of CREST Dematerialised Securities) the Euroclear Agreement) of a modification of the Terms and Conditions or the Agency Agreement or, (in the case of CREST Dematerialised Securities) the Euroclear Agreement. At least 21 days' notice (exclusive of the day on which the notice is given and of the day on which the meeting is held) specifying the date, time and place of the meeting shall be given to Holders. Such a meeting may be convened by the Issuer, the Guarantor, if any, or Holders holding not less than 5 per cent. (by number) of the Securities for the time being remaining unexercised. The quorum at a meeting of the Holders (except for the purpose of passing an Extraordinary Resolution) will be two or more persons holding or representing not less than 20 per cent. (by number) of Securities for the time being remaining unexercised, or at any adjourned meeting two or more persons being or representing Holders whatever the number of English Law Securities so held or represented. The quorum at a meeting of Holders for the purpose of passing an Extraordinary Resolution will be two or more persons holding or representing not less than 50 per cent. (by number) of the Securities for the time being remaining unexercised, or at any adjourned meeting two or more persons being holding or representing not less than 10 per cent. (by number) of the Securities for the time being remaining unexercised. A resolution will be an Extraordinary Resolution when it has been passed at either (i) a duly convened meeting by not less than three fourths of the votes cast by Holders at such meeting who, being entitled to do so, vote in person or by proxy or (ii) consent given by way of electronic consents through the relevant clearing system(s) or CREST, as applicable, (in a form satisfactory to the Principal Security Agent or Registrar, as applicable, or, in the case of CREST Dematerialised Securities, the Euroclear Registrar) by or on behalf of persons representing not less than 75 per cent. (by number) of the Securities for the time being remaining unexercised. An Extraordinary Resolution passed by the Holders will be binding on all the Holders, whether or not they are present at any meeting and whether or not they voted on the resolution, except for those Warrants remaining unexercised but for which an Exercise Notice shall have been received as described in Condition 24 prior to the date of the meeting or the final date on which electronic consents may be submitted through the clearing system(s) or CREST, as applicable. Securities which have not been exercised but in respect of which an Exercise Notice has been received as described in Condition 24 will not confer the right to attend or vote at, or join in convening, or be counted in the quorum for, any meeting of the Holders. Resolutions can be passed in writing if passed unanimously.

#### (b) French Law Securities

If the relevant Final Terms specify that Holders will be grouped automatically for the defence of their common interests constituting a separate legal body called *masse* (the "**Masse**"), the *Masse* will be governed by the provisions of Articles L.228-46 *et seq* of the French *Code de commerce* subject to the provisions of subparagraph (i) below.

If the relevant Final Terms specify that Holders shall not be grouped in a *Masse*, a general meeting of Holders (the "**General Meeting**") may be convened to consider some matters relating to any series of French Law Securities as provided hereunder in sub-paragraphs (ii) to (v) below.

(i) Representation

If the provisions of the *Masse* are specified as applicable in the applicable Final Terms, the below provisions will apply:

The names and addresses of the initial Representative of the *Masse* and its alternate will be set out in the relevant Final Terms. The Representative appointed in respect of the first tranche of any series of French Law Securities will be the representative of the single *Masse* of all Tranches in such Series.

The Representative will be entitled to such remuneration in connection with its functions or duties as set out in the relevant Final Terms.

In the event of death, retirement or revocation of appointment of the Representative, such Representative will be replaced by another Representative. In the event of the death, retirement or revocation of appointment of the alternate Representative, an alternate will be elected by the general meeting of the Holders.

The place where a general meeting shall be held will be set out in the notice convening such general meeting.

If the provisions of the *Masse* are specified as not applicable in the applicable Final Terms, Holders shall not be represented by any representative of such body.

(ii) Powers of the General Meetings

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

- (A) power to agree to any modification of the French Law Securities including but not limited to, a modification of the Exercise Price, Exercise Period, Cash Settlement Amount, Entitlement, Expiration Date, Settlement Date or more generally the modification of any term which can affect the amount to be paid under a French Law Security or the scheduled payment date, which is proposed by the Issuer;
- (B) power to give any authority or approval which under the provisions of this Condition 9.4(b) is required to be given by a resolution of the General Meeting;
- (C) power to appoint any persons (whether Holders or not) to a committee or committees to confer upon any such committee or committees any powers or discretions which the Holders could themselves exercise by a resolution of the General Meeting; and
- (D) power to approve any contractual compromise or arrangement proposed to be made between the Issuer and the relevant Holders in respect of the rights of the Holders against the Issuer or against any of its property.

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

- I. appoint any person as the representative of the Holders of any series for all actions intended to defend the common interests of the Holders, and particularly to bring any court or arbitration action or proceedings, against the Issuer or any Agent; and
- II. agree on (a) any modification of the majority required to pass a resolution of the General Meeting, (b) any proposal relating to a change in the Issuer's corporate purpose or status, (c) any proposal for a settlement or a transaction concerning disputed rights or rights in respect of which court decisions have been handed down, or (d) proposals to merge or demerge the Issuer.

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

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

Decisions of General Meetings must be published in accordance with the provisions set forth in Condition 10 by the Issuer within 14 calendar days of the result being known provided that non-publication shall not invalidate the resolution.

(iii) Convening and holding of the General Meeting

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

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

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

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

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



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

The rights of each Holder to participate in General Meetings will be evidenced by the entries in the books of the relevant Account Holder of the name of such Holder on the third business day in Paris preceding the date set for the meeting of the relevant General Meeting at 00.00, Paris time. The voting right in General Meetings shall belong to the bare owner (*nu-proprétaire*) of the relevant French Law Securities. Each French Law Security shall confer the right to one vote.

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

(iv) Information to Holders

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

(v) Expenses

The Issuer will pay all expenses relating to the calling and holding of General Meetings and, more generally, all administrative expenses resolved upon by the General Meeting.

9.5 Modifications

The Issuer may modify these Terms and Conditions and/or the Agency Agreement without the consent of the Holders (but in the case of Swedish Dematerialised Securities, with the consent of Euroclear Sweden, in the case of Finnish Dematerialised Securities, with the consent of Euroclear Finland and, in the case of Danish Dematerialised Securities, with the consent of VP Denmark) in any manner which the Issuer may deem necessary or desirable provided that such modification is not materially prejudicial to the interests of the Holders or such modification is of a formal, minor or technical nature or to cure, correct or supplement a manifest or proven error or to cure, correct or supplement any defective provision contained herein and/or therein or to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated. Notice of any such modification will be given to the Holders in accordance with Condition 10 but failure to give, or non-receipt of, such notice will not affect the validity of any such modification.

**10. NOTICES**

All notices to Holders shall be valid if:

- (a)
  - (i) in the case of Clearing System Securities (other than Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC, Italian Listed Securities or Euroclear France Securities listed on Euronext Paris ("**Euronext Paris**") and Securities issued and cleared through Iberclear and listed on the Madrid Stock Exchange), and Italian Dematerialised Securities, delivered to the relevant Clearing System (in the case of English Law Securities), or to the relevant Account Holder (in the case of French Law Securities) for communication by them to the Holders;
  - (ii) in the case of Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC, to DTC for communication by it to the Holders and any such notices shall be conclusively presumed to have been received by the Holders;
  - (iii) in the case of Clearing System Securities which are Italian Listed Securities or Euroclear France Securities listed on Euronext Paris, published by Borsa Italiana S.p.A., or Euronext Paris, as the case may be;
  - (iv) in the case of Securities issued and cleared through Iberclear and listed on the Madrid Stock Exchange, published by the Madrid Stock Exchange or, if applicable, in the manner specifically provided by Spanish law and regulations for the relevant notice, as the case may be;
  - (v) in the case of Securities represented by Private Placement Definitive Securities, mailed to their registered addresses appearing in the Private Placement Register;
  - (vi) in the case of Registered Warrants in definitive form, mailed to their registered addresses appearing in the Register;
  - (vii) in the case of Swedish Dematerialised Securities, mailed by Euroclear Sweden in accordance with the SFIA Act and the Euroclear Sweden rules;
  - (viii) in the case of Finnish Dematerialised Securities, mailed to a Holder on the address registered for such Holder in the Euroclear Finland Register maintained by Euroclear Finland in accordance with the rules of Euroclear Finland;
  - (ix) in the case of Danish Dematerialised Securities, mailed by VP Denmark in accordance with the provisions of the Danish Securities Trading Act and the VP Denmark rules; or
  - (x) in the case of CREST Dematerialised Securities, mailed to the Holder at the address of the Holder appearing in the Record on the second Business Day prior to despatch of such notice, by first class post or, if such address is not in the United Kingdom, by airmail post (any such notice to be delivered or sent at the risk of the relevant Holder); and
- (b) for so long as the Securities are listed on a stock exchange or are admitted to trading by another relevant authority, in accordance with the rules and regulations of the relevant stock exchange or other relevant authority (in the case of Italian Dematerialised Securities that are Italian Listed Securities, such notices shall be published by Borsa Italiana S.p.A.). If the Securities are listed and admitted to trading on the Euro MTF Market of the Luxembourg Stock Exchange or the Official List of the Luxembourg Stock Exchange, and so long as the rules of the Luxembourg Stock Exchange so require, notices shall be made available on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). Any such notice shall be deemed to have been given on the second Business Day following such delivery or, if earlier, the date of such publication or, if published more than once, on the date of the first such publication.



## 11. EXPENSES AND TAXATION

- 11.1 A Holder must pay all taxes, duties and/or expenses, including any applicable depository charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties arising from the exercise and settlement of the Securities and/or the delivery or transfer of the Entitlement (as applicable) pursuant to the terms of such Securities ("**Security Expenses**") relating to such Securities as provided above.
- 11.2 The Issuer shall deduct from amounts payable or from assets deliverable to Holders all Related Expenses, not previously deducted from amounts paid or assets delivered to Holders, as the Calculation Agent shall acting in good faith and in a commercially reasonable manner determine are attributable to the Securities.

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

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

"**Related Expenses**" means (a) all present, future, prospective, contingent or anticipated Taxes which are (or may be) or were (or may have been) withheld or payable under the laws, regulations or administrative practices of any state (or any political sub-division or authority thereof or therein) and (b) any other present, future, or contingent expenses (including without limitation, any applicable depository charges, transaction charges, issue registration, securities transfer or other expenses) which are (or may be) or were (or may have been) payable, in each case in respect of or in connection with:

- (a) the issue, transfer or enforcement of the Securities;
- (b) any payment (or delivery of assets) to Holders;
- (c) a person or its agent's assets or any rights, distributions of dividends appertaining to such assets (had such an investor (or agent) purchased, owned, held, realised, sold or otherwise disposed of assets) in such a number as the Calculation Agent, acting in good faith and in a commercially reasonable manner, may determine to be appropriate as a hedge or related trading position in connection with the Securities; or
- (d) any of the Issuer's (or any Affiliates') other hedging arrangements in connection with the Securities.

"**Taxes**" means taxes, levies, imposts, duties, deductions, withholdings, assessments or other charges (including any stamp, registration or transfer tax, duty or other charge or tax on income, payments (or delivery of assets), profits, capital gains (including, for the avoidance of doubt, (i) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**")) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto) and (ii) any withholding or deduction required pursuant to Section 871(m) of the Code) together with any interest, additions to tax or penalties.

In addition, in determining the amount of withholding or deduction required pursuant to Section 871(m) of the Code imposed with respect to any amounts to be paid on the Securities, the Issuer shall be entitled to withhold on any "dividend equivalent" payment (as defined for purposes of Section 871(m) of the Code) at a rate of 30 per cent.

## 12. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of Holders to create and issue further Securities having terms and conditions the same as the Securities or terms and conditions which are the same in all respects save for the Issue Date and the Issue Price, such further Securities being consolidated and forming a single series with the outstanding Securities.

## 13. SUBSTITUTION OF THE ISSUER OR THE GUARANTOR

### 13.1 Substitution Event

The occurrence of any of the following events, in respect of the Issuer or the Guarantor, as the case may be, shall constitute a "**Substitution Event**":

- (a) a divestment in respect of the Issuer;
- (b) the cancellation, suspension or revocation of any relevant authorisation or licence of the Issuer or the Guarantor, as the case may be, by any governmental, legal or regulatory authority;
- (c) a consolidation, amalgamation, merger or binding share exchange in respect of the Issuer or the Guarantor, as the case may be, with or into another entity or person;
- (d) a takeover offer, tender offer, exchange offer, solicitation proposal or other event by any entity or person to purchase or otherwise obtain a controlling stake in the Issuer or the Guarantor, as the case may be; or
- (e) any other event affecting the Issuer or the Guarantor, as the case may be, pursuant to which substitution is permissible in accordance with the regulations of any stock exchange, any applicable law or regulation in force in the jurisdiction of the Issuer or the Guarantor, as the case may be or any applicable law or regulation in force in the jurisdiction in which the securities are offered.

### 13.2 Substitution Conditions

A substitution of the Issuer pursuant to Conditions 13.3 or 13.4 below may only occur if the following conditions (the "**Substitution Conditions**") are satisfied:

- (a) where BNPP B.V. is the Issuer, the creditworthiness of the Substitute at such time being at least equal to the creditworthiness of the Issuer (or of any previous substitute), as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner by reference to, inter alia, the long term senior debt ratings (if any) assigned by Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., Moody's Investors Service Ltd. and/or Fitch Ratings Limited, or any successor rating agency or agencies thereto, or such other rating agency as the Calculation Agent determines to the Substitute or, as the case may be, to the Issuer (or to any previous substitute);
- (b) the Issuer confirms that there are no payment arrears in respect of the Securities and that there is no indication that payments will imminently be in arrears or that there may be any issues in making any payments in respect of the Securities;
- (c) all actions, conditions and things required to be taken, fulfilled and done to ensure that the Securities represent legal, valid and binding obligations of the Substitute having been taken, fulfilled and done and being in full force and effect;
- (d) the Substitute becomes party to the Agency Agreement or, where BNPP B.V. is the Issuer and the Securities are CREST Dematerialised Securities, the Euroclear Agreement, (unless the Substitute is

already a party to the Agency Agreement or the Euroclear Agreement, as the case may be) with any appropriate consequential amendments, as if it had been an original party to it;

- (e) each stock exchange on which the Securities are listed has confirmed that, following the proposed substitution of the Substitute, the Securities will continue to be listed on such stock exchange and in the case of Swedish Dematerialised Securities, Euroclear Sweden, in the case of Finnish Dematerialised Securities, Euroclear Finland, or, in the case of Danish Dematerialised Securities, VP Denmark, has consented to such substitution (such consent not to be unreasonably withheld or delayed);
- (f) if appropriate, the Substitute has appointed a process agent as its agent in England (in the case of English Law Securities) or France (in the case of French Law Securities) to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the Securities; and
- (g) the Issuer has given at least 30 days' prior notice of the date of such substitution to the Holders in accordance with Condition 10.

### 13.3 Securities issued by BNPP

Except in the case of U.S. Securities, where BNPP is the Issuer, BNPP, or any previously substituted company, may, but is not obliged to, at any time, without the consent of the Holders, substitute for itself as principal obligor under the Securities another company within the BNP Paribas Group (the "**Substitute**"), subject to:

- (a) BNPP unconditionally and irrevocably guaranteeing in favour of each Holder the performance of all obligations by the Substitute under the Securities;
- (b) BNPP having obtained from the Substitute an undertaking that the substitution will not have a material impact on the interests of the Holders and that it will not deduct any costs relating to the substitution from amounts due to the Holder; and
- (c) the Substitution Conditions having been satisfied.

### 13.4 Securities issued by BNPP B.V.

Except in the case of U.S. Securities, where the Issuer is BNPP B.V., or any previously substituted company, following the occurrence of a Substitution Event, the Issuer may, but is not obliged to, without the consent of the Holders, substitute for itself as principal obligor under the Securities a Substitute, being BNPP B.V. (where BNPP B.V. has previously been substituted as Issuer) or any other company in the BNP Paribas Group, subject to:

- (a) BNPP unconditionally and irrevocably guaranteeing in favour of each Holder the performance of all obligations by the Substitute under the Securities on substantially the same terms as the relevant Guarantee;
- (b) BNPP B.V. having obtained from the Substitute an undertaking that the substitution will not have a material impact on the interests of the Holders and that it will not deduct any costs relating to the substitution from amounts due to the Holder; and
- (c) the Substitution Conditions having been satisfied.

### 13.5 Securities guaranteed by BNPP

Except in the case of U.S. Securities, where the Issuer is BNPP B.V., following the occurrence of a Substitution Event, BNPP or any previously substituted company may, but is not obliged to, without the consent of the Holders, substitute for itself as guarantor in respect of the Securities any company (the "**Substitute Guarantor**"), being BNPP (where BNPP has previously been substituted as Guarantor) or another company in the BNP Paribas Group, subject to:

- (a) the creditworthiness of the Substitute Guarantor at such time being at least equal to the creditworthiness of BNPP (or of any previous substitute under this Condition), as determined by the Calculation Agent in good faith and in a commercially reasonable manner by reference to, inter alia, the long term senior debt ratings (if any) assigned by Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. and/or Moody's Investors Service Ltd. and/or Fitch Ratings Limited, or any successor rating agency or agencies thereto, or such other rating agency as the Calculation Agent determines to the Substitute Guarantor or, as the case may be, to BNPP (or to any previous substitute under this Condition);
- (b) the Substitute Guarantor having entered into a guarantee (the "**Substitute Guarantee**") in respect of the Securities in substantially the same form as the relevant BNPP Guarantee and such other documents (if any) as may be necessary to give full effect to the substitution (the "**Documents**") and (without limiting the generality of the foregoing) pursuant to which the Substitute Guarantor shall undertake in favour of each Holder to be bound by these Terms and Conditions, the provisions of the Agency Agreement or, in the case of CREST Dematerialised Securities, the Euroclear Agreement as fully as if the Substitute Guarantor had been named in these Terms and Conditions, the Documents, the Agency Agreement or the Euroclear Agreement as the guarantor in respect of the Securities in place of BNPP (or of any previous substitute under this Condition);
- (c) the Substitute Guarantee and the Documents having been delivered to BNP Paribas Securities Services, Luxembourg Branch to be held by BNP Paribas Securities Services, Luxembourg Branch for so long as any Securities remain unexercised and for so long as any claim made against the Substitute Guarantor or the Issuer by any Holder in relation to the Securities, the Substitute Guarantee or the Documents shall not have been finally adjudicated, settled or discharged;
- (d) each stock exchange on which the Securities are listed having confirmed that following the proposed substitution of the Substitute Guarantor (or of any previous substitute under this Condition) it will continue to list the Securities and in the case of Swedish Dematerialised Securities, Euroclear Sweden, or in the case of Finnish Dematerialised Securities, Euroclear Finland, or, in the case of Danish Dematerialised Securities, VP Denmark, has consented to such substitution (such consent not to be unreasonably withheld or delayed);
- (e) if appropriate, the Substitute Guarantor having appointed a process agent as its agent in England (in the case of English Law Securities) or France (in the case of French Law Securities) to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the Securities or the Substitute Guarantee;
- (f) BNPP (or any previous substitute under this Condition) having given at least 30 days' prior notice of the date of such substitution to the Holders in accordance with Condition 10;
- (g) BNPP confirming that there are no payment arrears in respect of the Securities and that there is no indication that payments will imminently be in arrears or that there may be any issues in making any payment in respect of the Securities; and

- (h) BNPP having obtained from the Substitute Guarantor an undertaking that the substitution will not have a material impact on the interests of the Holders and that it will not deduct any costs relating to the substitution from amounts due to the Holder.

Notwithstanding the foregoing, in the case of Italian Listed Securities BNPP may not be substituted as guarantor in respect of such Securities.

## 14. GOVERNING LAW

### 14.1 English Law Securities

- (a) The English Law Securities (including Swedish Dematerialised Securities, Italian Dematerialised Securities, Swiss Securities, Danish Dematerialised Securities and Finnish Dematerialised Securities), the English Law Agency Agreement, the Euroclear Agreement and the BNPP English Law Guarantee and any non-contractual obligations arising out of or in connection with the English Law Securities (including Swedish Dematerialised Securities, Italian Dematerialised Securities, Swiss Securities, Danish Dematerialised Securities and Finnish Dematerialised Securities), the English Law Agency Agreement, the Euroclear Agreement and the BNPP English Law Guarantee are governed by, and shall be construed in accordance with, English law.
- (b) The courts of England shall have exclusive jurisdiction to settle all disputes which may, directly or indirectly, arise out of or in connection with the English Law Securities (including Swedish Dematerialised Securities, Italian Dematerialised Securities, Swiss Securities, Danish Dematerialised Securities and Finnish Dematerialised Securities), the English Law Agency Agreement, the Euroclear Agreement and the BNPP English Law Guarantee including any disputes relating to any non-contractual obligations arising out of or in connection with the English Law Securities (including Swedish Dematerialised Securities, Italian Dematerialised Securities, Swiss Securities, Danish Dematerialised Securities and Finnish Dematerialised Securities), the English Law Agency Agreement, the Euroclear Agreement and the BNPP English Law Guarantee (a "**Dispute**") and each of the Issuer and the Guarantor submits and each Holder (by its acquisition of a Security) is deemed to submit to the exclusive jurisdiction of the English courts. For the purposes of this Condition, each of the Issuer and the Guarantor waives and each Holder (by its acquisition of a Security) is deemed to waive any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute. Notwithstanding this, (i) with respect to Finnish Dematerialised Securities, the registration and transfer of the Finnish Dematerialised Securities in Euroclear Finland's system for the registration of financial instruments shall be governed by, and shall be construed in accordance with, Finnish law and (ii) with respect to Italian Dematerialised Securities, the registration and transfer of the Italian Dematerialised Securities in Monte Titoli shall be governed by, and shall be construed in accordance with, Italian law.
- (c) Each Issuer and Guarantor hereby appoints BNP Paribas, London branch, currently of 10 Harewood Avenue, London NW1 6AA (Attention: the Loan Administration Department), as its agent in England to receive service of process in any proceedings in England relating to the English Law Securities and the BNPP English Law Guarantee, as the case may be. If for any reason such process agent ceases to act as such or no longer has an address in England, each Issuer and Guarantor (if any) agrees to appoint a substitute process agent and to notify the Holders of English Law Securities of such appointment. Nothing in these provisions shall affect the right to serve process in any other manner permitted by law.
- (d) WITHOUT PREJUDICE TO CONDITION 14.1(b) ABOVE, THE ISSUER WAIVES ANY RIGHT IT MAY HAVE TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION IN CONNECTION WITH THE SECURITIES. THESE CONDITIONS MAY BE FILED AS A WRITTEN CONSENT TO A BENCH TRIAL.

#### 14.2 French Law Securities

The French Law Securities, the French Law Agency Agreement and the BNPP French Law Guarantee are governed by, and construed in accordance with, French law, and any action or proceeding in relation thereto ("**Proceedings**") shall be submitted to the jurisdiction of the competent courts in Paris within the jurisdiction of the Paris Court of Appeal (*Cour d'Appel de Paris*). BNPP B.V. elects domicile at the registered office of BNP Paribas currently located at 16 boulevard des Italiens, 75009 Paris.

#### 15. ADDITIONAL DISRUPTION EVENTS AND OPTIONAL ADDITIONAL DISRUPTION EVENTS

The Additional Disruption Events and any Optional Additional Disruption Events shall not apply to any U.S. Securities.

##### 15.1 "**Additional Disruption Event**" means each of Change in Law and Hedging Disruption, unless otherwise specified in the applicable Final Terms;

"**Cancellation Event**" means, that in the determination of the Calculation Agent, all or some of the Debt Instruments are redeemed prior to their stated maturity date for any reason, and as a result thereof it is impossible, impracticable or unduly onerous for 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 (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;

"**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 Index Securities relating to a Custom Index, any relevant hedge positions relating to an Index, 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 Index Securities relating to a Custom Index, any relevant hedge positions relating to an Index, 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;

**"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:

- (i) under the Securities; or
- (ii) 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;



**"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;

**"Optional Additional Disruption Event"** means any of 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;

**"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 Warrants compared to the economics as of the Issue Date, but do not render performance of the Issuer's obligations under the Warrants impossible;

**"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;

**"Trade Date"** has the meaning given to it in the applicable Final Terms.

15.2 If Additional Disruption Events 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), (c) or (d), 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 Terms and Conditions and/or the applicable Final Terms to account for the Additional Disruption Event and/or Optional Additional Disruption Event and determine the effective date of that adjustment;
- (b) cancel the Warrants by giving notice to Holders in accordance with Condition 10. If the Warrants are so cancelled the Issuer will:
  - (i) if Highest Value is specified as applicable in the applicable Final Terms, the Issuer will pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 26.1; or
  - (ii) if Market Value is specified in the applicable Final Terms, the Issuer will pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 26.2; or
  - (iii) otherwise, pay an amount to each Holder in respect of each Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, held by him which amount shall be equal to the fair market value of a Warrant or a Unit, as the case may be, taking into account the Additional Disruption Event and/or Optional Additional Disruption Event less,

except in the case of Italian Listed Warrants or if Unwind Costs is 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 (unless provided for otherwise in the relevant Final Terms) plus, if applicable and already paid, the Exercise Price, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, payment being made in such manner as shall be notified to the Holders in accordance with Condition 10;

- (c) in the case of Index Securities linked to a Custom Index, the Calculation Agent may use commercially reasonable efforts to select a successor index with a substantially similar formula for and method of calculation as the Custom Index within twenty (20) Scheduled Custom Index Business Days of the occurrence of the relevant Additional Disruption Event or Optional Additional Disruption Event and, upon selection of such successor index (the "**Successor Index**"), the Calculation Agent shall promptly notify the Issuer and the Issuer will give notice to the Holders in accordance with Condition 10 and such index shall become the Successor Index and deemed to be a "Custom Index" for the purposes of the Securities and the Calculation Agent will make such adjustment, if any, to one or more of the Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate to account for the substitution. Such substitution and any relevant adjustment to the Terms and Conditions and/or the applicable Final Terms will be deemed to be effective as of the date selected by the Calculation Agent acting in good faith and in a commercially reasonable manner which may, but need not be the date on which the relevant Additional Disruption Event or Optional Additional Disruption Event occurred; or
- (d) in the case of Share 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 Exercise Price and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent 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:

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

where:

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

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

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

Such substitution and the relevant adjustment to the Basket of Shares will be deemed to be effective as of the date selected by the Calculation Agent (the "**Substitution Date**") 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, any Relevant Assets which are not Affected Relevant Assets, will be delivered on the originally designated Settlement Date in accordance with Condition 5.1 and the Calculation Agent shall determine acting in good faith and in a commercially reasonable manner the appropriate *pro rata* portion of the Exercise Price to be paid by the relevant Holder in respect of that partial settlement; and
- (B) in respect of any Affected Relevant Assets, in lieu of physical settlement and notwithstanding any other provision hereof, except in the case of U.S. Securities (in which case another price or prices will be specified in the applicable Final Terms), the Issuer may elect to satisfy its obligations in respect of the relevant Security or if Units are specified in the applicable Final Terms, Unit, as the case may be, by payment to the relevant Holder of the Failure to Deliver Settlement Price on the fifth Business Day following the date that notice of such election is given to the Holders in accordance with Condition 10. Payment of the Failure to Deliver Settlement Price will be made in such manner as shall be notified to the Holders in accordance with Condition 10.

For the purposes hereof:

**"Failure to Deliver Settlement Price"** means, in respect of any relevant Security, or if Units are specified in the applicable Final Terms, Unit, as the case may be, the fair market value of such Security or Unit, as the case may be (taking into account the Relevant Assets comprising the Entitlement which have been duly delivered as provided above), less, 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, plus, if applicable and already paid, the Exercise Price (or, where as provided above some Relevant Assets have been delivered, and a *pro rata* portion thereof has been paid, such *pro rata* portion).

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.

- 15.3 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 Holders in accordance with Condition 10 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.

## **16. KNOCK-IN EVENT AND KNOCK-OUT EVENT**

- 16.1 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.
- 16.2 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.
- 16.3 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 Custom Index Securities or 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 of Custom Index Securities or Debt Securities, a Custom Index Disruption Event or 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, Custom Index 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 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.
- 16.4 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.
- 16.5 In respect of Securities other than Custom Index Securities or 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.

- 16.6 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.

16.7 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, (b) each Scheduled Trading Day in the Knock-in Determination Period, (c) each Scheduled Custom Index Business Day 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 or (f) each Commodity Business Day in the Knock-in Determination Period, as specified in the applicable Final Terms;

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

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

- (a) if SPS 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 SPS Knock-in Valuation is specified as not applicable in the applicable Final Terms and, if the Securities are Currency Securities, 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, 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 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 (other than Custom Index Securities), Share Securities, ETI Securities, Debt Securities or Currency Securities), a Commodity Business Day (in the case of Commodity Securities), a Custom Index Business Day (in the case of Custom Index 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, Custom Index 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 (other than Custom Index Securities), Share Securities, ETI Securities, Debt Securities or Currency Securities), a Commodity Business Day (in the case of Commodity Securities), a Custom Index Business Day (in the case of Custom Index 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, Custom Index 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 Observation Price Source"** means the source specified as such in the applicable Final Terms;

**"Knock-in Valuation Time"** means the time or period of time on any Knock-in Determination Day specified as such in the applicable Final Terms or in the event that the applicable Final Terms do not specify a Knock-in Valuation Time, the Knock-in Valuation Time shall be the Valuation Time;

**"Knock-in Value"** means the value from Payout Condition 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;



**"Knock-out Determination Day"** means (a) each date, (b) each Scheduled Trading Day in the Knock-out Determination Period, (c) each Scheduled Custom Index Business Day 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 or (f) each Commodity Business Day in the Knock-out Determination Period, as specified in the applicable Final Terms;

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

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

- (a) if SPS 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 SPS 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;

**"Knock-out Level"** means the FX Knock-out Level or 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;

**"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 (other than Custom Index Securities), Share Securities, ETI Securities, Debt Securities or Currency Securities), a Commodity Business Day (in the case of Commodity Securities), a Scheduled Custom Index Business Day (in the case of Custom Index 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, Scheduled Custom Index 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 (other than Custom Index Securities), Share Securities, ETI Securities, Debt Securities or Currency Securities), a Commodity Business Day (in the case of Commodity Securities), a Scheduled Custom Index Business Day (in the case of Custom Index 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, Scheduled Custom Index 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 Payout Condition 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

**"Level"** means, for the purposes of this Condition 16, (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 and Custom Index Securities, the level of the relevant Underlying Reference (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 Subject Currency into the Base Currency (expressed as the number of units (or part units) of such Subject Currency for which one unit of the Base Currency can be exchanged), 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 Custom Index Securities, Index Security Condition 6 (Adjustments to a Custom Index and Custom Index Disruption);
- (c) in the case of Share Securities, Share Security Condition 2 (Market Disruption), Share Security Condition 3 (Potential Adjustment Events) and Share Security Condition 4 (Extraordinary Events);
- (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) and Commodity Security Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks);



- (f) in the case of Currency Securities, Currency Security Condition 2 (Disruption Events) and 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 Condition 16, each Index, Custom Index, Share, ETI Interest, Debt Instrument, Commodity, Commodity Index, Subject Currency, Future or other basis of reference to which the relevant Securities relate.

## 17. 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 Holders, on giving notice to the Holders in accordance with Condition 10:

- (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 Issuer may decide, after consultation with the Calculation Agent, and as may be specified in the notice, and after the Adjustment Date, all payments of the Cash Settlement Amount in respect of the 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 Terms and Conditions are expressed in or, in the case of the Exchange Rate, contemplate the exchange from or into, the currency (the "**Original Currency**") of a country which is participating in the third stage of European Economic and Monetary Union, such Exchange Rate and/or any other terms of these Terms and Conditions shall be deemed to be expressed in or, in the case of the Exchange Rate, converted from or, as the case may be into, euro at the Established Rate; and
  - (iii) such other changes shall be made to these Terms and Conditions as the Issuer may decide, after consultation with the Calculation Agent to conform them to conventions then applicable to instruments expressed in euro; and/or
- (b) require that the Calculation Agent make such adjustments to the Weighting and/or the Settlement Price and/or the Exercise Price and/or any other terms of these Terms and Conditions and/or the Final Terms as the Calculation Agent, 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 Settlement Price and/or the Exercise Price and/or such other terms of these Terms and Conditions.

Notwithstanding the foregoing, none of the Issuer, the Guarantor, if any, the Calculation Agent, the Euroclear Registrar, if applicable, and the Security Agents shall be liable to any Holder or other

person for any commissions, costs, losses or expenses in relation to or resulting from the transfer of euro or any currency conversion or rounding effected in connection therewith.

In this Condition, the following expressions have the following meanings:

**"Adjustment Date"** means a date specified by the Issuer in the notice given to the Holders pursuant to this Condition which falls on or after the date on which the country of the Original Currency first participates in the third stage of European Economic and Monetary Union pursuant to the Treaty;

**"Established Rate"** means the rate for the conversion of the Original Currency (including compliance with rules relating to rounding in accordance with applicable European Union regulations) into euro established by the Council of the European Union pursuant to Article 140 of the Treaty;

**"euro"** means the currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty;

**"National Currency Unit"** means the unit of the currency of a country, as those units are defined on the day before the date on which the country of the Original Currency first participates in the third stage of European Economic and Monetary Union; and

**"Treaty"** means the Treaty on the Functioning of the European Union, as amended.

## 18. **CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

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

## 19. **CERTAIN DEFINITIONS RELATING TO EXERCISE, VALUATION AND SETTLEMENT**

**"Actual Exercise Date"** means the Exercise Date (in the case of European Style Warrants) or, subject to Condition 23, the date during the Exercise Period (in the case of American Style Warrants) on which the Warrant is actually or is deemed exercised or, if Automatic Exercise is specified in the applicable Final Terms, is automatically exercised (as more fully set out in Condition 23);

**"Assessed Value Payment Amount"** has the meaning given to such term in Condition 24.7;

**"Automatic Exercise"** has the meaning given to such term in Condition 23.1(a);

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

- (a) in the case of Index Securities (other than Index Securities relating to a Custom Index or Basket of Custom Indices (each as defined in Annex 2)), 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 level, price, value or amount provided that, if through the operation of this provision no Averaging Date would occur in respect of such Actual Exercise Date, then the provisions of the definition of "Valuation Date" will apply for purposes of determining the relevant level,

price, value or amount on the final Averaging Date with respect to that Actual Exercise Date as if such Averaging Date were a Valuation Date that was a Disrupted Day; or

- (ii) if "Postponement" is specified as applying in the applicable Final Terms, then the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant level, price, value or amount on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date; or
- (iii) if "Modified Postponement" is specified as applying in the applicable Final Terms then:
  - (A) where the Warrants are Index 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 a 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 in respect of such Actual Exercise Date, then (I) that last such consecutive Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that last such consecutive Scheduled Trading Day is already an Averaging Date), and (II) the Calculation Agent shall determine the relevant level, value, price or amount for that Averaging Date in accordance with subparagraph (a)(i) of the definition of "Valuation Date" below;
  - (B) where the Warrants 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 relevant 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 Warrants 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 in respect of such Actual Exercise Date, then (I) that last such consecutive Scheduled Trading Day shall be deemed the Averaging Date (irrespective of whether that last such 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 level, value, price or amount for that Averaging Date in accordance with subparagraph (a)(iii) of the definition of "Valuation Date" below; and

- (D) where the Warrants 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 (Consequences of a Market Disruption Event and Disruption Fallbacks) shall apply;

**"Cash Settlement Amount"** means, in relation to Cash Settled Warrants, the amount (which may never be less than zero) to which the Holder is entitled in the Settlement Currency in relation to each such Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, equal to the Final Payout specified in the applicable Final Terms. The Cash Settlement Amount (if any) 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:

- (a) if Rounding Convention 1 is specified as applicable in the applicable Final Terms, the Cash Settlement Amount shall be calculated using a maximum of four decimal places (with 0.00005 being rounded upwards) and shall be rounded to the second decimal place (with 0.005 being rounded upwards); or
- (b) 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 Holder will be aggregated for the purpose of determining the aggregate Cash Settlement Amount in respect of such Warrants and the aggregate of such 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 product of the Final Payout is zero, no amount shall be payable in respect of the relevant Warrant (and such Warrant shall expire worthless).

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;

**"CREST Dematerialised Warrants"** means Warrants issued by BNPP B.V. in uncertificated registered form in accordance with the Uncertificated Securities Regulations 2001 (as amended, modified or re-enacted and such other regulations made under Sections 783, 784(3), 785 and 788 of the Companies Act 2006 as are applicable to the Euroclear Registrar);

**"Danish Dematerialised Warrants"** means Warrants in registered, uncertificated and dematerialised book-entry form in accordance with the provisions of the Danish Securities Trading Act and accepted by VP Denmark for clearing and registration in the VP Denmark System;

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

**"Entitlement"** means in relation to a Physical Delivery Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, the quantity of the Relevant Asset or the Relevant Assets, as the case may be, which a Holder is entitled to receive on the Settlement Date in respect of each such Warrant or Unit, as the case may be, following payment of the Exercise Price (and any other sums payable) (including Expenses as defined in Condition 11) rounded down as provided in Condition 23.3, 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;

**"Exercise Business Day"** means:

- (a) in the case of Cash Settled Warrants, a day that is a Business Day; and
- (b) in the case of Physical Delivery Warrants, a day that is a Business Day and a Scheduled Trading Day;

**"Expiration Date"** means the last day of the Exercise Period;

**"Finnish Dematerialised Warrants"** means Warrants in registered, uncertificated and dematerialised book-entry form in accordance with the provisions of the Finnish Act on the Book-Entry System and Clearing (*Fin. laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* (749/2012)) and with the Finnish Act on Book-Entry Accounts (*Fin. laki arvo-osuustileistä* (827/1991)) accepted by Euroclear Finland for clearing and registration in the Euroclear Finland System;

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

**"Italian Dematerialised Warrants"** means Warrants issued in registered, uncertificated and dematerialised book-entry form into Monte Titoli pursuant to Italian legislative decree no. 58/1998 as amended and integrated by subsequent implementing provisions;

**"Italian Listed Warrants"** means Warrants which are listed and admitted to trading on the electronic "Securitized Derivatives Market" (the "**SeDeX**"), organised and managed by Borsa Italiana S.p.A. or the Multilateral Trading Facility (the "**EuroTLX**"), organised and managed by EuroTLX Sim S.p.A., as the case may be;

**"Manual Exercise"** has the meaning given to such term in Condition 23.1(a);

**"Observation Date"** means each date specified as an Observation Date in the applicable Final Terms or if any such date is not a Scheduled Trading Day (in the case of Index Securities (other than Index Securities relating to a Custom Index or Basket of Custom Indices), 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

(other than Index Securities relating to a Custom Index or Basket of Custom Indices), 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 (*Consequences of a Market Disruption Event and Disruption Fallbacks*) will apply;

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

**"Settlement Date"** means:

(a) in relation to Cash Settled Warrants:

- (i) (other than in respect of Commodity Securities or Inflation Index Securities) in relation to each Actual Exercise Date, (A) where Averaging is not specified in the applicable Final Terms, (x) the date specified in the applicable Final Terms or, if none, (y) the fifth Business Day following the Valuation Date provided that if the Warrants are Index Securities relating to a Basket of 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 and the occurrence of a Disrupted Day has resulted in a Valuation Date for one or more Indices, Shares, ETI Interests, Debt Instruments or Futures, as the case may be, being adjusted as set out in the definition of "Valuation Date" below, the Settlement Date shall be the fifth Business Day next following the last occurring Valuation Date in relation to any Index, Share, ETI Interest, Debt Instrument or Future, as the case may be, or (B) where Averaging is specified in the applicable Final Terms, the fifth Business Day following the last occurring Averaging Date provided that where the Warrants are Index Securities relating to a Basket of 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 and the occurrence of a Disrupted Day has resulted in an Averaging Date for one or more Indices, Shares, ETI Interests, Debt Instruments or Futures, as the case may be, being adjusted as set out in the definition of "Averaging Date" above, the Settlement Date shall be the fifth Business Day next following the last occurring Averaging Date in relation to any Index, Share, ETI Interest, Debt Instrument, Commodity or Commodity Index or Future, as the case may be; or
- (ii) in respect of Commodity Securities or Inflation Index Securities, the date as specified in the applicable Final Terms; and

(b) in relation to Physical Delivery Warrants, the date specified as such in the applicable Final Terms;

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

**"Swiss Dematerialised Warrants"** means Warrants in uncertificated and dematerialised form which are entered into the main register (*Hauptregister*) of SIX SIS Ltd or any other intermediary in Switzerland recognised for such purposes by SIX Swiss Exchange Ltd (SIX SIS Ltd or any such other intermediary, the **"Intermediary"**) and entered into the accounts of one or more participants of the Intermediary;

**"Swiss Materialised Warrants"** means Warrants represented by a permanent global warrant which will be deposited by the Swiss Security Agent with SIX SIS Ltd or any other intermediary in Switzerland recognised



for such purposes by SIX Swiss Exchange Ltd (SIX SIS Ltd or any such other intermediary, the "**Intermediary**") and entered into the accounts of one or more participants of the Intermediary;

"**Valid Date**" means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date in relation to the Actual Exercise Date or another Observation Date does not or is deemed not to occur;

"**Valuation Date**" means:

- (a) in the case of Index Securities (other than Index Securities relating to a Custom Index or Basket of Custom Indices), Share Securities, ETI Securities, Debt Securities or Futures Securities (x) the Scheduled Trading Day immediately preceding the Actual Exercise Date or (y) the Actual Exercise Date (or, if such date is not a Scheduled Trading Day the first Scheduled Trading Day following such date) or the first Scheduled Trading Day following the Actual Exercise Date of the relevant Warrant, as specified in the applicable Final Terms, unless in either case, in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day, then:
  - (i) where the Warrants are Index 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, acting in good faith and in a commercially reasonable manner, 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 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
  - (ii) where the Warrants are Index Securities relating to a single Component Security Index, the Calculation Agent shall determine, acting in good faith and in a commercially reasonable manner, 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, acting in good faith and in a commercially reasonable manner, 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) where the Warrants 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, 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, acting in good faith and in a commercially reasonable manner, the relevant value, level, price or amount using, in relation to the Affected Item, the level, value or price 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 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
- (iv) where the Warrants are 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, acting in good faith and in a commercially reasonable manner, 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, acting in good faith and in a commercially reasonable manner, the level of the Component Security Index in accordance with the above provisions; or

- (b) in the case of Commodity Securities, the Final Pricing Date,

and otherwise in accordance with the above provisions; and

**"Valuation Time"** means:

- (a) the Valuation Time specified in the applicable Final Terms; or
- (b) if not set out in the applicable Final Terms, in the case of Index Securities relating to a Composite Index, unless otherwise specified in the applicable Final Terms, (i) for the purposes of determining whether a Market Disruption Event has occurred (A) in respect of any Component Security, the Scheduled Closing Time on the Exchange in respect of such Component Security, and (B) in respect of any options contracts or futures contracts on such Index, the close of trading on the Related Exchange; and (ii) in all other circumstances, the time at which the official closing level of such Index is calculated and published by the Index Sponsor; or

- (c) if not set out in the applicable Final Terms, 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 Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

## 20. FORM OF SECURITIES

English Law Warrants (other than CREST Dematerialised Warrants, Swedish Dematerialised Warrants, Finnish Dematerialised Warrants, Danish Dematerialised Warrants, Italian Dematerialised Warrants and Swiss Dematerialised Warrants) are represented by (i) a permanent global warrant (the "**Permanent Global Warrant**"), (ii) a Rule 144A Global Warrant (as defined below), (iii) a Regulation S Global Warrant (as defined below), (iv) a registered global warrant (the "**Registered Global Warrant**"), (v) a warrant in definitive registered form (a "**Private Placement Definitive Warrant**") or (vi) a global warrant issued via Clearstream, Frankfurt's electronic data transfer system (a "**CBF Global Warrant**"), as specified in the applicable Final Terms. Except as provided herein, no Warrants in definitive form will be issued.

English Law Warrants that are CREST Dematerialised Warrants will be issued in uncertificated registered form in accordance with the Uncertificated Securities Regulations. CREST Dematerialised Warrants are participating securities for the purposes of the Uncertificated Securities Regulations and will not be issued in definitive form.

English Law Warrants that are Swedish Dematerialised Warrants will be issued in registered, uncertificated and dematerialised book-entry form in accordance with the Swedish Central Securities Depositories and Financial Instruments Accounts Act (*Sw. Lag (1998:1479) om centrala värdepappersförvarare och kontoföring av finansiella instrument*) (the "**SFIA Act**"). Swedish Dematerialised Warrants will not be issued in definitive form.

English Law Warrants that are Finnish Dematerialised Warrants will be issued in registered, uncertificated and dematerialised book-entry form in accordance with the Finnish Act on the Book-Entry System and Clearing (*Fin. laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* (749/2012)) and with the Finnish Act on Book-Entry Accounts (*Fin. laki arvo-osuustileistä* (827/1991)). Finnish Dematerialised Warrants will not be issued in definitive form.

English Law Warrants that are Danish Dematerialised Warrants will be issued in registered, uncertificated and dematerialised book-entry form in accordance with the provisions of the Danish Securities Trading Act (*in Danish: lovbekendtgørelse nr. 831 af 12. juni 2014 om værdipapirhandel mv.*). Danish Dematerialised Warrants will not be issued in definitive form.

English Law Warrants that are Italian Dematerialised Warrants will be issued in registered, uncertificated and dematerialised book-entry form into Monte Titoli S.p.A. ("**Monte Titoli**") pursuant to Italian legislative decree no. 58/1998, as amended and implemented and subsequent implementing provisions. Italian Dematerialised Warrants will not be issued in definitive form.

English Law Warrants that are Swiss Materialised Warrants will be represented by a permanent global warrant which will be deposited by the Swiss Security Agent with the Intermediary. Upon the permanent global warrant being deposited with the Intermediary and entered into the accounts of one or more participants of the Intermediary, the Swiss Materialised Warrants will constitute intermediated securities (*Bucheffekten*) in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

English Law Warrants that are Swiss Dematerialised Warrants will be issued in uncertificated and dematerialised form and will be entered into the main register (*Hauptregister*) of the Intermediary. Upon being registered in the main register (*Hauptregister*) of the Intermediary and entered into the accounts of one or more participants of the Intermediary, the Swiss Dematerialised Warrants will constitute intermediated securities (*Bucheffekten*) in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*). Swiss Dematerialised Warrants will not be issued in definitive form.

The terms and conditions of the Swiss Securities will be set forth in the applicable Final Terms.

In the event that the applicable Final Terms specify that Warrants are eligible for sale in the United States ("**U.S. Warrants**") (such eligibility to be pursuant to an exemption from the registration requirements of the Securities Act of 1933, as amended (the "**Securities Act**")), (A) the Warrants sold in the United States to qualified institutional buyers ("**QIBs**") within the meaning of Rule 144A ("**Rule 144A**") under the Securities Act ("**Rule 144A Warrants**") will be represented by one or more Rule 144A global warrants (each, a "**Rule 144A Global Warrant**"), (B) the Warrants sold in the United States to certain accredited investors ("**AIs**") (as defined in Rule 501(a) under the Securities Act) will be constituted by Private Placement Definitive Warrants, (C) the Warrants sold in the United States by BNPP B.V. to QIBs who are QPs will be represented by a Rule 144A Global Warrant or in the form of a Private Placement Definitive Warrant, as may be set out in any applicable U.S. wrapper to the Base Prospectus and (D) in either such case, the Warrants sold outside the United States to persons that are not (i) a "U.S. person" as defined in Regulation S; or (ii) a person other than a "Non-United States person" as defined in Rule 4.7 under the Commodity Exchange Act; or (iii) a "U.S. person" as defined in the Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations promulgated by the CFTC; or (iv) any other "U.S. person" as such term may be defined in Regulation S or in regulations or guidance adopted under the Commodity Exchange Act (each such person, a "**U.S. person**") will be represented by one or more Regulation S global warrants (each, a "**Regulation S Global Warrant**"). References herein to a "**Clearing System Global Warrant**" means, as the context so requires, a Rule 144A Global Warrant, a Regulation S Global Warrant, a CBF Global Warrant or the Permanent Global Warrant, representing the Warrants and Warrants represented by a Clearing System Global Warrant are referred to herein as "**Clearing System Warrants**".

In the event that the Final Terms does not specify that Warrants are eligible for sale in the United States or to U.S. persons, the Warrants offered and sold outside the United States to non-U.S. persons in reliance on Regulation S and pursuant to CFTC regulations and guidance may not be legally or beneficially owned at any time by any U.S. person and will be represented by a Regulation S Global Warrant, a CBF Global Warrant, a Permanent Global Warrant or a Registered Global Warrant, as the case may be.

In the event that the Warrants are constituted by a Clearing System Global Warrant other than a Rule 144A Global Warrant, the Clearing System Global Warrant will be deposited with a depository (the "**Common Depositary**") common to Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") and Euroclear Bank S.A./N.V. ("**Euroclear**") and/or any other relevant Clearing System or (in the case of English Law Warrants held through Euroclear France) with Euroclear France or (in the case of Warrants to be issued into and transferred through accounts at Clearstream, Frankfurt ("**CBF Warrants**")) with Clearstream, Frankfurt, in each case in accordance with the rules and regulations of the relevant Clearing System(s). If the Clearing System specified in the Final Terms is Iberclear, the term Common Depositary and/or Custodian shall be deemed to refer to the foreign custodian (*Entidad Custodia*) or Iberclear Participant (*Entidad Miembro de Iberclear*), as the case may be, appointed in accordance with the rules and regulations of Iberclear. Warrants represented by a Rule 144A Global Warrant will be either (i) deposited with a custodian (a "**Custodian**") for, and registered in the name of a nominee of, The Depository Trust Company ("**DTIC**"), or (ii) issued and deposited with the Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System.

In the event that the Warrants are constituted by a Registered Global Warrant (such Warrants being hereafter referred to as "**Registered Warrants**"), the Registered Global Warrant will be held by the Registrar on behalf of the holders.

Interests in a Rule 144A Global Warrant and a Regulation S Global Warrant may be exchanged for interests in the other Global Warrants and for Private Placement Definitive Warrants and Private Placement Definitive Warrants may be exchanged for an interest in a Rule 144A Global Warrant or Regulation S Global Warrant only as described herein. Interests in a Clearing System Global Warrant or a Private Placement Definitive Warrant may not be exchanged for interests in a Registered Global Warrant and interests in a Registered Global Warrant may not be exchanged for interests in a Clearing System Global Warrant or a Private Placement Definitive Warrant.

Each Clearing System Global Warrant and the Registered Global Warrant is referred to in these Terms and Conditions as a "**Global Warrant**". The applicable Final Terms (or the relevant provisions thereof) will be attached to such Global Warrant.

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

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

Unless this possibility is expressly excluded in the applicable Final Terms and to the extent permitted by applicable French law, the Issuer may at any time request from the central depositary identification information of Holders of French Law Warrants in dematerialised bearer form (*au porteur*) such as the name or the company name, nationality, date of birth or year of incorporation and mail address or, as the case may be, email address of such Holders.<sup>1</sup>

## 21. TYPE

The applicable Final Terms will indicate whether the Warrants are American style Warrants ("**American Style Warrants**") or European style Warrants ("**European Style Warrants**"), Registered Warrants or such other type as may be specified in the applicable Final Terms, in the case of Cash Settled Warrants whether automatic exercise ("**Automatic Exercise**") applies to the Warrants, whether settlement shall be by way of cash payment ("**Cash Settled Warrants**") or physical delivery ("**Physical Delivery Warrants**"), whether the Warrants are call Warrants ("**Call Warrants**") or put Warrants ("**Put Warrants**"), or such other type as may be specified in

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<sup>1</sup> The possibility for the Issuer of requesting from the central depositary identification information of Holders of French Law Warrants in dematerialised bearer form (*au porteur*) such as the name or company name, nationality, date of birth or year of incorporation and mail address or, as the case may be, email address of such Holders is provided by the current draft *Ordonnance portant diverses dispositions de droit des sociétés prises en application de l'article 3 de la loi n° 2014-1 du 2 janvier 2014 habilitant le Gouvernement à simplifier et sécuriser la vie des entreprises*. This *Ordonnance* is scheduled to be adopted at the latest on 3 August 2014.

the applicable Final Terms, whether the Warrants may only be exercised in units ("**Units**") and whether Averaging ("**Averaging**") will apply to the Warrants. If Units are specified in the applicable Final Terms, Warrants must be exercised in Units and any Exercise Notice which purports to exercise Warrants in breach of this provision shall be void and of no effect.

If the Warrants are Swedish Dematerialised Warrants, they will be European Style Warrants and Cash Settlement and Automatic Exercise will apply.

If the Warrants are Finnish Dematerialised Warrants, they will be European Style Warrants and Cash Settlement and Automatic Exercise will apply.

If the Warrants are Danish Dematerialised Warrants, they will be European Style Warrants and Cash Settlement and Automatic Exercise will apply.

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

## **22. TITLE AND TRANSFER OF REGISTERED WARRANTS**

The Issuer shall cause to be kept at the principal office of the Registrar, a register (the "**Register**") on which shall be entered the names and addresses of all holders of the Registered Warrants, the number or amount, as the case may be, and type of the Warrants held by each Holder and details of all transfers of the Warrants.

Each person who is for the time being shown in the Register as the holder of a particular amount of Registered Warrants (each a "**Holder**") shall (except as otherwise required by law) be treated as the absolute owner of such number or amount, as the case may be, of such Warrants for all purposes (regardless of any notice of ownership, trust, or any interest in it, any writing on it, or its theft or loss) and no person will be liable for so treating such person.

Subject as provided below, title to the Registered Warrants will pass upon the registration of transfers in accordance with the provisions of the Agency Agreement.

A Registered Warrant may be transferred by the transferor or a person duly authorised on behalf of the transferor depositing at the specified office of the Registrar a duly completed transfer certificate (a "**Transfer Certificate**") in the form set out in the Agency Agreement (copies of which are available from the Registrar) signed by or on behalf of the transferor and upon the Registrar after due and careful enquiry being satisfied with the documents of title and the identity of the person making the request and subject to the regulations set out in Schedule 14 to the Agency Agreement, the Registrar should enter the name of the transferee in the Register for the Registered Warrants as the Holder of the Registered Warrant specified in the form of transfer.

Holders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration or exchange in the jurisdiction of the Issuer or in any other jurisdiction where the Registrar's specified office is located.

Registered Warrants and interests therein may not be transferred at any time, directly or indirectly, in the United States or to or for the benefit of a U.S. person, and any such transfer shall not be recognised.



## 23. EXERCISE RIGHTS

### 23.1 Exercise of Warrants

#### (a) American Style Warrants

American Style Warrants are exercisable on any Exercise Business Day during the Exercise Period.

#### *Clearing System Warrants*

The following provisions apply to Clearing System Warrants held by a Common Depository on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, CBF Warrants and Warrants held through Euroclear France ("**Euroclear France Warrants**"):

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) if the Warrants are Physical Delivery Warrants, any American Style Warrant with respect to which no Exercise Notice (as defined below) has been delivered in the manner set out in Condition 24, at or prior to 10.00 a.m., Luxembourg or Brussels time, as appropriate, on the Expiration Date, shall become void.

If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, any such American Style Warrant shall be automatically exercised on the Expiration Date and the provisions of Condition 24.10 shall apply.

The Exercise Business Day during the Exercise Period on which an Exercise Notice is delivered prior to 10.00 a.m. (Local Time) to the relevant Clearing System, to the relevant Account Holder (in the case of Euroclear France Warrants) or to the Frankfurt Warrant Agent (in the case of CBF Warrants), and the copy thereof is received by the Principal Security Agent or, if the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, the Expiration Date, is referred to herein as the "**Actual Exercise Date**". If any Exercise Notice is received by the relevant Clearing System, the relevant Account Holder or, as the case may be, the Frankfurt Warrant Agent, or if the copy thereof is received by the Principal Security Agent, in each case, after 10.00 a.m. (Local Time) on any Exercise Business Day during the Exercise Period, such Exercise Notice will be deemed to have been delivered on the next Exercise Business Day, which Exercise Business Day shall be deemed to be the Actual Exercise Date, provided that any such Warrant in respect of which no Exercise Notice has been delivered in the manner set out in Condition 24 at or prior to 10.00 a.m. (Local Time) on the Expiration Date shall (A) (I) if the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (II) if the Warrants are Physical Delivery Warrants, become void or (B) if the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, be automatically exercised on the Expiration Date as provided above.

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

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) if the Warrants are Physical Delivery Warrants, any American Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 24, at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Expiration Date, shall become void.

If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, any such American Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 24, at or prior to 5.00 p.m., New York City time, on the Business Day in New

York immediately preceding the Expiration Date, shall be automatically exercised on the Expiration Date and the provisions of Condition 24.10 shall apply.

The Business Day during the Exercise Period immediately succeeding the Business Day in New York on which an Exercise Notice is received prior to 5.00 p.m., New York City time, by the New York Security Agent with a copy thereof received by the Principal Security Agent or, if Automatic Exercise is specified as applying in the applicable Final Terms and no Exercise Notice has been delivered at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Expiration Date, the Expiration Date, is referred to herein as the "**Actual Exercise Date**". If any such Exercise Notice is received by the New York Security Agent, or if the copy thereof is received by the Principal Security Agent, in each case, after 5.00 p.m. on any Business Day in New York, such Exercise Notice will be deemed to have been delivered on the next Business Day in New York and the Business Day in New York immediately succeeding such next Business Day in New York shall be deemed to be the Actual Exercise Date, provided that any such Warrant in respect of which no Exercise Notice has been delivered in the manner set out in Condition 24, at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Expiration Date shall (A) (I) if the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (II) the Warrants are Physical Delivery Warrants, become void or (B) if the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, be automatically exercised on the Expiration Date as provided above.

#### *Registered Warrants*

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) if the Warrants are Physical Delivery Warrants, any American Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 24, at or prior to 10.00 a.m., Tokyo time, on the Expiration Date, shall become void.

If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms any such American Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 24, at or prior to 10.00 a.m., Tokyo time, on the Expiration Date shall be automatically exercised on the Expiration Date and the provisions of Condition 24.10 shall apply.

The Exercise Business Day during the Exercise Period on which an Exercise Notice is delivered prior to 10.00 a.m., Tokyo time, to the Registrar and a copy thereof so received by the Principal Security Agent or, if the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms and no Exercise Notice has been delivered at or prior to 10.00 a.m., Tokyo time, on the Expiration Date, the Expiration Date is referred to herein as the "**Actual Exercise Date**". If any such Exercise Notice is delivered to the Registrar, or if the copy thereof is received by the Principal Security Agent, in each case, after 10.00 a.m., Tokyo time, on any Business Day, such Exercise Notice will be deemed to have been delivered on the next Exercise Business Day which next Exercise Business Day shall be deemed to be the Actual Exercise Date, provided that any such Warrant in respect of which no Exercise Notice has been received in the manner set out in Condition 24, at or prior to 10.00 a.m., Tokyo time, on the Expiration Date shall (A) if (I) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (II) the Warrants are Physical Delivery Warrants, become void or (B) if the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, be automatically exercised on the Expiration Date as provided above.

#### *Private Placement Definitive Warrants*

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) if the Warrants are Physical Delivery Warrants, in the case of Private Placement Definitive Warrants, any American Style Warrant with respect to which no Exercise Notice has been delivered

in the manner set out in Condition 24, at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Expiration Date, shall become void.

If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, any such American Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 24, at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Expiration Date, shall be automatically exercised on the Expiration Date and the provisions of Condition 24.10 shall apply.

The Business Day during the Exercise Period immediately succeeding the Business Day in New York on which an Exercise Notice is received prior to 5.00 p.m., New York City time, by the Definitive Security Agent with a copy thereof received by the Principal Security Agent or if Automatic Exercise is specified as applying in the applicable Final Terms and no Exercise Notice has been delivered at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Expiration Date, the Expiration Date is referred to herein as the "**Actual Exercise Date**". If any such Exercise Notice is received by the Definitive Security Agent, or if the copy thereof is received by the Principal Security Agent, in each case, after 5.00 p.m., New York City time, on any Business Day in New York, such Exercise Notice will be deemed to have been delivered on the next Business Day in New York and the Business Day in New York immediately succeeding such next Business Day in New York shall be deemed to be the Actual Exercise Date, provided that any such Warrant in respect of which no Exercise Notice has been delivered in the manner set out in Condition 24, at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Expiration Date shall (A) if (I) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (II) the Warrants are Physical Delivery Warrants, become void or (B) if the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, be automatically exercised on the Expiration Date as provided above.

#### *Italian Dematerialised Warrants*

If the Warrants are Italian Dematerialised Warrants, any American Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 24, at or prior to 10.00 a.m., Milan time on the Expiration Date shall be automatically exercised on the Expiration Date.

The Exercise Business Day during the Exercise Period on which an Exercise Notice (an "**Exercise Notice**") in, or substantially in, the form set out in the applicable Final Terms, is delivered by the Holder prior to 10.00 a.m. (Milan time) to the Italian Security Agent, or if the Warrants are automatically exercised, the Expiration Date is referred to herein as the "**Actual Exercise Date**". If any Exercise Notice is received by the Italian Security Agent, in each case, after 10.00 a.m. (Milan time) on any Exercise Business Day during the Exercise Period, such Exercise Notice will be deemed to have been delivered on the next Exercise Business Day, which Exercise Business Day shall be deemed to be the Actual Exercise Date, provided that any such Warrant in respect of which no Exercise Notice has been delivered to the Italian Security Agent at or prior to 10.00 a.m. (Milan time) on the Expiration Date shall be automatically exercised on the Expiration Date as provided above.

If the Warrants are Italian Dematerialised Warrants and Italian Listed Warrants and such Warrants are automatically exercised on the Expiration Date, prior to the Renouncement Notice Cut-off Time as specified in the applicable Final Terms on the Expiration Date the Holder of a Warrant may renounce automatic exercise of such Warrant by the delivery or sending by fax of a duly completed Renouncement Notice (a "**Renouncement Notice**") in, or substantially in, the form set out in the applicable Final Terms to the Italian Security Agent. Once delivered a Renouncement Notice shall be irrevocable. Any determination as to whether a Renouncement Notice is duly completed and in proper form shall be made by the Italian Security Agent (in consultation with Monte Titoli) and shall be conclusive and binding on the Issuer, the Guarantor, if applicable,



and the relevant Holder. Subject as set out below, any Renouncement Notice so determined to be incomplete or not in proper form shall be null and void. If such Renouncement Notice is subsequently corrected to the satisfaction of the Italian Security Agent, it shall be deemed to be a new Renouncement Notice submitted at the time such correction was delivered to the Italian Security Agent.

#### *CREST Dematerialised Warrants*

American Style CREST Dematerialised Warrants are exercisable ("**Manual Exercise**") on any Exercise Business Day during the Exercise Period by the delivery of an Exercise Notice to the Euroclear Registrar in the manner set out in Condition 24.

Any American Style CREST Dematerialised Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 24 at or prior to 10.00 a.m. London time on the last Exercise Business Day of the Exercise Period (the "**Expiration Date**") shall be exercised by the Euroclear Registrar on behalf of the relevant Holders on the Expiration Date ("**Automatic Exercise**"). Automatic Exercise is conditional upon the Cash Settlement Amount or the Assessed Value Payment Amount, as applicable, of the relevant Warrant being greater than zero. If the Cash Settlement Amount or the Assessed Value Payment Amount, as applicable, of the relevant Warrant is not greater than zero, no Automatic Exercise shall occur. The expressions "exercise", "due exercise" and related expressions shall be construed to apply to any American Style CREST Dematerialised Warrants to which Automatic Exercise applies in accordance with this provision.

With respect to an American Style CREST Dematerialised Warrant, the "**Actual Exercise Date**" means (a) in the case of Manual Exercise, the Exercise Business Day during the Exercise Period on which an Exercise Notice in respect of an American Style Warrant is delivered to the Euroclear Registrar at or prior to 10.00 a.m. London time or (b) in the case of Automatic Exercise, the Expiration Date. If any Exercise Notice in respect of an American Style Warrant is received by the Euroclear Registrar after 10.00 a.m. London time on any Exercise Business Day during the Exercise Period, such Exercise Notice will be deemed to have been delivered on the next Exercise Business Day, which Exercise Business Day shall be deemed to be the Actual Exercise Date, provided that any such Warrant in respect of which no Exercise Notice has been delivered in the manner set out in Condition 24 at or prior to 10.00 a.m. London time on the Expiration Date shall be automatically exercised on the Expiration Date as provided above.

#### (b) European Style Warrants

European Style Warrants are only exercisable on the Exercise Date.

#### *Clearing System Warrants*

The following provisions apply to Clearing System Warrants held by a Common Depository on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, CBF Warrants and Euroclear France Warrants:

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) the Warrants are Physical Delivery Warrants, any European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 24, at or prior to 10.00 a.m. (Local Time) on the Actual Exercise Date, shall become void.

If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, any such European Style Warrant shall be automatically exercised on the Actual Exercise Date and the provisions of Condition 24.10 shall apply.

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

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) the Warrants are Physical Delivery Warrants, any European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 24, at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Actual Exercise Date, shall become void.

If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, any such European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 24, at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Actual Exercise Date, shall be automatically exercised on the Actual Exercise Date and the provisions of Condition 24.10 shall apply.

#### *Registered Warrants*

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) the Warrants are Physical Delivery Warrants, any European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 24, at or prior to 10.00 a.m., Tokyo time, on the Actual Exercise Date, shall become void. If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, any such European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 24, at or prior to 10.00 a.m., Tokyo time, on the Actual Exercise Date, shall be automatically exercised on the Actual Exercise Date and the provisions of Condition 24.10 shall apply.

#### *Private Placement Definitive Warrants*

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) the Warrants are Physical Delivery Warrants, any European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 24, at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Actual Exercise Date, shall become void.

If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, any such European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 24, at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Actual Exercise Date, shall be automatically exercised on the Actual Exercise Date and the provisions of Condition 24.10 shall apply.

#### *Swedish Dematerialised Warrants*

If the Warrants are Swedish Dematerialised Warrants, the Warrants will be automatically exercised on the Exercise Date.

#### *Finnish Dematerialised Warrants*

If the Warrants are Finnish Dematerialised Warrants, the Warrants will be automatically exercised on the Exercise Date.

#### *Danish Dematerialised Warrants*

If the Warrants are Danish Dematerialised Warrants, the Warrants will be automatically exercised on the Exercise Date.

### *Italian Dematerialised Warrants*

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

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

### *CREST Dematerialised Warrants*

European Style CREST Dematerialised Warrants shall be exercised by the Euroclear Registrar on behalf of the relevant Holders on the Exercise Date or if such day is not an Exercise Business Day the immediately succeeding Exercise Business Day (the "**Actual Exercise Date**" and the "**Expiration Date**" and any such exercise, in relation to a European Style Warrant, an "**Automatic Exercise**"). Automatic Exercise is conditional on the Cash Settlement Amount or the Assessed Value Payment Amount, as applicable, of the relevant Warrant being greater than zero. If the Cash Settlement Amount or the Assessed Value Payment Amount, as applicable, of the relevant Warrant is not greater than zero, no Automatic Exercise shall occur. The expressions "**exercise**", "**due exercise**" and related expressions shall be construed to apply to the automatic exercise of European Style Warrants in accordance with this provision.

## 23.2 Cash Settlement

If the Warrants are Cash Settled Warrants, each such Warrant or, if Units are specified in the applicable Final Terms, each Unit entitles its Holder, upon due exercise and subject, in the case of Warrants represented by a Clearing System Global Warrant, other than a Rule 144A Global Warrant, or a Registered Warrant, to certification as to non-U.S. beneficial ownership, and, in the case of Warrants represented by Rule 144A Global Warrants and Private Placement Definitive Warrants, to such certifications as to compliance with U.S. securities laws as the Issuer shall require or as shall be set out in the applicable Final Terms, to receive from the Issuer on the Settlement Date the Cash Settlement Amount

If Aggregation is specified as applicable in the applicable Final Terms Warrants exercised at the same time by the same Holder will be aggregated for the purpose of determining the aggregate Cash Settlement Amounts payable in respect of such Warrants or Units, as the case may be.

## 23.3 Physical Settlement

If the Warrants are Physical Delivery Warrants, each such Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, entitles its Holder, upon due exercise and subject, in the case of Warrants represented by a Clearing System Global Warrant, other than a Rule 144A Global Warrant, or a Registered Warrant, to certification as to non-U.S. beneficial ownership, and, in the case of Warrants represented by a Rule 144A Global Warrant or a Private Placement Definitive Warrant, to such certifications as to compliance with U.S. securities laws as the Issuer shall require, to receive from the Issuer on the Settlement Date the Entitlement subject to (a) in the case of CREST Dematerialised Warrants, delivery of the

Exercise Notice to the Euroclear Registrar at or prior to 10.00 a.m. London time on the Expiration Date as provided in Condition 24 and (b) payment of the relevant Exercise Price and any other sums payable. The method of delivery of the Entitlement is set out in the applicable Final Terms.

If Aggregation is specified as applicable in the applicable Final Terms Warrants or Units, as the case may be, exercised at the same time by the same Holder will be aggregated for the purpose of determining the aggregate Entitlements in respect of such Warrants or Units, as the case may be, provided that the aggregate Entitlements in respect of the same Holder will be rounded down to the nearest whole unit of the Relevant Asset or each of the Relevant Assets, as the case may be, in such manner as the Calculation Agent shall determine. Fractions of the Relevant Asset or of each of the Relevant Assets, as the case may be, and a cash adjustment will be made in respect thereof.

Following exercise of a Share Security which is a Physical Delivery Warrant, all dividends on the relevant Shares to be delivered will be payable to the party that would receive such dividend according to market practice for a sale of the Shares executed on the relevant Actual Exercise Date and to be delivered in the same manner as such relevant Shares. Any such dividends to be paid to a Holder will be paid to the account specified by the Holder in the relevant Exercise Notice as referred to in Condition 24.

Commodity Securities shall not be Physical Delivery Warrants.

#### 23.4 General

In relation to any Cash Settled Warrants where Automatic Exercise is specified as applying in the applicable Final Terms, the expressions "**exercise**", "**due exercise**" and related expressions shall be construed to apply to any such Cash Settled Warrants which are automatically exercised in accordance with the above provisions.

All references in this Condition to "**London time**", "**Luxembourg or Brussels time**" or "**New York time**" shall, where Warrants are cleared through an additional or alternative clearing system, be deemed to refer as appropriate to the time in the city where the relevant clearing system is located.

### 24. EXERCISE PROCEDURE

#### 24.1 Exercise Notice in respect of Clearing System Warrants

Subject as provided in Condition 24.10, Warrants represented by a Clearing System Global Warrant held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, CBF Warrants and Euroclear France Warrants, may only be exercised by the delivery, or the sending by fax, of a duly completed exercise notice (an "**Exercise Notice**") in the form set out in the Agency Agreement (copies of which form may be obtained from the relevant Clearing System (in the case of English Law Warrants other than English Law Warrants held through Euroclear France and CBF Warrants), the relevant Account Holder (in the case of Euroclear France Warrants) or the Frankfurt Warrant Agent (in the case of CBF Warrants) and the relevant Security Agents during normal office hours) or (in the case of CBF Warrants) such other form as may be acceptable to the Frankfurt Warrant Agent to the relevant Clearing System or, as the case may be, the relevant Account Holder or (in the case of CBF Warrants) the Frankfurt Warrant Agent, with a copy to the Principal Security Agent in accordance with the provisions set out in Condition 23 and this Condition. In the case of CBF Warrants, the relevant Holder must also deliver to the Frankfurt Warrant Agent the CBF Warrants to which such Exercise Notice relates and failure to deliver such CBF Warrants at or prior to the time such Exercise Notice is delivered shall render such Exercise Notice null and void.

Subject as provided in Condition 24.10, Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC may only be exercised by the delivery by facsimile of a duly completed Exercise

Notice in the form set out in the Agency Agreement (copies of which form may be obtained from the relevant Security Agents) to the New York Security Agent with a copy to the Principal Security Agent, in accordance with the provisions set out in Condition 23 and this Condition.

- (a) In the case of Cash Settled Warrants, the Exercise Notice shall:
- (i) specify the Series number of the Warrants and the number of Warrants being exercised and, if Units are specified in the applicable Final Terms, the number of Units being exercised;
  - (ii) other than in the case of CBF Warrants, specify the number of the Holder's securities account at the relevant Clearing System (in the case of English Law Warrants other than English Law Warrants held through Euroclear France) or the relevant Account Holder (in the case of Euroclear France Warrants) to be debited with the Warrants or in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, specify the designated account at DTC to be debited with the Warrants being exercised;
  - (iii) other than in the case of CBF Warrants, irrevocably instruct the relevant Clearing System or, as the case may be, the relevant Account Holder to debit on or before the Settlement Date the Holder's securities account with the Warrants being exercised or in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, irrevocably instruct the New York Security Agent to exercise the Warrants debited to the account of the Holder and credited to the account of the New York Security Agent by means of DTC's DWAC function;
  - (iv) (A) specify the number of the account at the relevant Clearing System or, as the case may be, the relevant Account Holder to be credited with the Cash Settlement Amount (if any) for each Warrant or Unit, as the case may be, being exercised or (B) in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, specify the details of the account to be credited with the Cash Settlement Amount (if any) for each Warrant or Unit, as the case may be, being exercised;
  - (v) (A) include an undertaking to pay all Security Expenses, and an authority to the relevant Clearing System or, as the case may be, the relevant Account Holder to deduct an amount in respect thereof from any Cash Settlement Amount due to such Holder and/or to debit a specified account at the relevant Clearing System or as the case may be, the relevant Account Holder or (B) in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, an authority to the New York Security Agent to deduct an amount in respect thereof from any Cash Settlement Amount due to such Holder and to pay such Security Expenses and/or to debit a specified account of the Holder in respect thereof and to pay such Security Expenses;
  - (vi) certify, if required, in the case of Warrants represented by a Clearing System Global Warrant other than a Rule 144A Global Warrant, that the beneficial owner of each Warrant being exercised is not a U.S. person (as defined in the Exercise Notice), the Warrant is not being exercised within the United States or on behalf of a U.S. person and no cash, securities or other property has been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with any exercise thereof; and, where appropriate, including in the case of Warrants represented by a Rule 144A Global Warrant, undertake to provide such various forms of certification in respect of restrictions under the securities, commodities, tax and other laws of the United States of America as required by the relevant Agent; and

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

all as provided in the Agency Agreement.

(b) In the case of Physical Delivery Warrants, the Exercise Notice shall:

- (i) specify the series number of the Warrants and the number of Warrants being exercised and, if Units are specified in the applicable Final Terms, the number of Units being exercised;
- (ii) other than in the case of CBF Warrants, specify the number of the Holder's securities account at the relevant Clearing System or, as the case may be, the relevant Account Holder to be debited with the Warrants being exercised or, in case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, specify the designated account at DTC to be debited with the Warrants being exercised;
- (iii) other than in the case of CBF Warrants, irrevocably instruct Clearstream, Luxembourg or Euroclear and/or any other relevant Clearing System or, as the case may be, the relevant Account Holder to debit on or before the Settlement Date the Holder's securities account with the Warrants being exercised or Units, as the case may be, being exercised or in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, irrevocably instruct the New York Security Agent to exercise the Warrants or Units, as the case may be, debited to the account of the Holder and credited to the account of the New York Security Agent by means of DTC's Deposit and Withdrawal at Custodian, or "DWAC", function;
- (iv) irrevocably instruct the relevant Clearing System or, as the case may be, the relevant Account Holder to debit on the Actual Exercise Date a specified account with such Clearing System or Account Holder with the aggregate Exercise Prices in respect of such Warrants or Units, as the case may be (together with any other amounts payable), or, in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, contain an undertaking to pay BNPP the aggregate Exercise Prices in respect of such Warrants or Units, as the case may be (together with any other amounts payable), to the account of the New York Security Agent on the Actual Exercise Date;
- (v) include an undertaking to pay all Security Expenses and (A) in the case of Warrants represented by a Clearing System Global Warrant held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, CBF Warrants or a Euroclear France Warrant, an authority to the relevant Clearing System or, as the case may be, the relevant Account Holder to debit a specified account at the relevant Clearing System or at the relevant Account Holder in respect thereof and to pay such Security Expenses, or (B) in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, an authority to the New York Security Agent to debit a specified account of the Holder in respect thereof and to pay such Security Expenses;
- (vi) include such details as are required by the applicable Final Terms for delivery of the Entitlement which may include account details and/or the name and address of any person(s) into whose name evidence of the Entitlement is to be registered and/or any bank, broker or agent to whom documents evidencing the Entitlement are to be delivered and (A) specify the name and the number of the account with the relevant Clearing System or, as the case may be, the relevant Account Holder to be credited with any cash payable by the Issuer, either in



respect of any cash amount constituting the Entitlement or any dividends relating to the Entitlement or as a result of the occurrence of a Settlement Disruption Event or a Failure to Deliver due to Illiquidity and the Issuer electing to pay the Disruption Cash Settlement Price or Failure to Deliver Cash Settlement Price, as applicable, or as a result of the Issuer electing to pay the Alternate Cash Amount, or (B) in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, specify the details of the account to be credited with any cash payable by BNPP, either in respect of any cash amount constituting the Entitlement or any dividends relating to the Entitlement or as a result of BNPP electing to pay the Alternate Cash Amount;

- (vii) in the case of Currency Securities only, specify the number of the account at the relevant Clearing System or, as the case may be, the relevant Account Holder to be credited with the amount due upon exercise of the Warrants or Units, as the case may be, or in the case of Currency Securities represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, specify the designated account at DTC to be credited with the amount due upon exercise of the Warrants or Units, as the case may be;
- (viii) certify, in the case of Warrants represented by a Clearing System Global Warrant other than a Rule 144A Global Warrant, that the beneficial owner of each Warrant being exercised is not a U.S. person (as defined in the Exercise Notice), the Warrant is not being exercised within the United States or on behalf of a U.S. person and no cash, securities or other property has been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with any exercise thereof and, where appropriate, including in the case of Warrants represented by a Rule 144A Global Warrant, undertake to provide such various forms of certification in respect of restrictions under the securities, commodities, tax and other laws of the United States of America as indicated and set out in the applicable Final Terms; and
- (ix) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Agency Agreement.

- (c) If Condition 5.3(b) applies, the form of Exercise Notice required to be delivered will be different from that set out above. Copies of such Exercise Notice may be obtained from the relevant Clearing System, the relevant Account Holder or, as the case may be, the Frankfurt Warrant Agent and the Security Agents during normal office hours.

If Condition 5.3(b) applies, Holders will be required to deliver an Exercise Notice specifying appropriate information relating to the settlement of Cash Settled Warrants.

## 24.2 Exercise Notice in respect of Private Placement Definitive Warrants

Warrants may only be exercised by the delivery by facsimile of a duly completed exercise notice (an "**Exercise Notice**") in the form set out in the Agency Agreement (copies of which form may be obtained from the relevant Security Agents during normal office hours) to the Definitive Security Agent with a copy to the Principal Security Agent in accordance with the provisions set out in Condition 23 and this Condition.

- (a) In the case of Cash Settled Warrants, the Exercise Notice shall:
  - (i) specify the series number of the Warrants and the number of Warrants being exercised and, if Units are specified in the applicable Final Terms, the number of Units being exercised;

- (ii) irrevocably instruct the Definitive Security Agent to remove from the Private Placement Register on or before the Settlement Date the Warrants being exercised;
- (iii) specify the details of the account to be credited with the Cash Settlement Amount (if any) for each Warrant or Unit, as the case may be, being exercised;
- (iv) include an undertaking to pay all Security Expenses and an authority to the Definitive Security Agent to deduct an amount in respect thereof from any Cash Settlement Amount due to such Holder and/or to debit a specified account of the Holder in respect thereof;
- (v) include an undertaking to provide such various forms of certification in respect of restrictions under the securities, commodities, tax and other laws of the United States of America as required by the relevant Agent; and
- (vi) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Agency Agreement.

(b) In the case of Physical Delivery Warrants, the Exercise Notice shall:

- (i) specify the series number of the Warrants and the number of Warrants being exercised and, if Units are specified in the applicable Final Terms, the number of Units being exercised;
- (ii) irrevocably instruct the Registrar to remove from the Register on or before the Settlement Date the Warrants being exercised;
- (iii) include an undertaking to pay BNPP the aggregate Exercise Prices in respect of such Warrant, or Units, as the case may be (together with any other amount payable), to the account of the Definitive Security Agent on the Actual Exercise Date;
- (iv) include an undertaking to pay all Security Expenses and an authority to the Definitive Security Agent to deduct an amount in respect thereof from any Cash Settlement Amount due to such Holder and/or to debit a specified account of the Holder in respect thereof;
- (v) include such details as are required by the applicable Final Terms for delivery of the Entitlement which may include account details and/or the name and address of any person(s) into whose name evidence of the Entitlement is to be registered and/or any bank, broker or agent to whom documents evidencing the Entitlement are to be delivered and specify the account to be credited with any cash payable by BNPP, either in respect of any cash amount constituting the Entitlement or any dividends relating to the Entitlement or as a result of BNPP electing to pay the Alternate Cash Amount;
- (vi) in the case of Currency Securities only, specify the details of the account to be credited with the amount due upon exercise of the Warrants;
- (vii) include an undertaking to provide such various forms of certification in respect of restrictions under the securities, commodities, tax and other laws of the United States of America as required by the relevant Agent; and
- (viii) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Agency Agreement.



- (c) If Condition 5.3(b) applies, the form of Exercise Notice required to be delivered will be different from that set out above. Copies of such Exercise Notice may be obtained from the Definitive Security Agent.

#### 24.3 Exercise Notice in respect of Registered Warrants

The following provisions apply to Registered Warrants:

Warrants may only be exercised by the delivery in writing of a duly completed exercise notice (an "**Exercise Notice**") in the form set out in the Agency Agreement (copies of which form may be obtained from the Registrar) to the Registrar with a copy to the Principal Security Agent in accordance with the provisions set out in Condition 23 and this Condition.

- (a) In the case of Cash Settled Warrants, the Exercise Notice shall:
  - (i) specify the series number of the Warrants and the number of Warrants being exercised and, if Units are specified in the applicable Final Terms, the number of Units being exercised;
  - (ii) irrevocably instruct the Registrar to remove from the Register on or before the Settlement Date the Warrants being exercised;
  - (iii) specify the details of the account to be credited with the Cash Settlement Amount (if any) for each Warrant or Unit, as the case may be, being exercised;
  - (iv) include an undertaking to pay all taxes, duties and/or expenses, including any applicable depository charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties arising in connection with the exercise of such Warrants ("**Security Expenses**") and an authority to the Registrar to deduct an amount in respect thereof from any Cash Settlement Amount due to such Holder;
  - (v) certify, *inter alia*, that the beneficial owner of each Warrant being exercised is not a U.S. person (as defined in the Exercise Notice), the Warrant is not being exercised within the United States or on behalf of a U.S. person and no cash, securities or other property has been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with any exercise thereof; and
  - (vi) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Agency Agreement.

- (b) In the case of Physical Delivery Warrants, the Exercise Notice shall:
  - (i) specify the series number of the Warrants and the number of Warrants being exercised and, if Units are specified in the applicable Final Terms, the number of Units being exercised;
  - (ii) irrevocably instruct the Registrar to remove from the Register on or before the Settlement Date the Warrants being exercised;
  - (iii) include an undertaking to pay to the Issuer the aggregate Exercise Prices in respect of such Warrants or Units, as the case may be (together with any other amounts payable);
  - (iv) include an undertaking to pay all Security Expenses;

- (v) include such details as are required by the applicable Final Terms for delivery of the Entitlement which may include account details and/or the name and address of any person(s) into whose name evidence of the Entitlement is to be registered and/or any bank, broker or agent to whom documents evidencing the Entitlement are to be delivered and specify the account to be credited with any cash payable by the Issuer, either in respect of any cash amount constituting the Entitlement or any dividends relating to the Entitlement or as a result of the occurrence of a Settlement Disruption Event or a Failure to Deliver due to Illiquidity and the Issuer electing to pay the Disruption Cash Settlement Price or Failure to Deliver Cash Settlement Price, as applicable, or as a result of the Issuer electing to pay the Alternate Cash Amount;
- (vi) in the case of Currency Securities only, specify the details of the account to be credited with the amount due upon exercise of the Warrants;
- (vii) certify, *inter alia*, that the beneficial owner of each Warrant being exercised is not a U.S. person (as defined in the Exercise Notice), the Warrant is not being exercised within the United States or on behalf of a U.S. person and no cash, securities or other property have been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with any exercise thereof; and
- (viii) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Agency Agreement.

- (c) If Condition 5.3(b) applies, the form of Exercise Notice required to be delivered will be different from that set out above. Copies of such Exercise Notice may be obtained from the Registrar.

#### 24.4 Exercise Notice in respect of Italian Dematerialised Warrants

Warrants which are Italian Dematerialised Warrants may be exercised by the delivery or the sending by fax of a duly completed Exercise Notice to the Italian Security Agent in accordance with the provisions set out in Condition 23 and this Condition.

The Exercise Notice shall:

- (a) specify the series number of the Warrants and the number of Warrants being exercised and, if Units are specified in the applicable Final Terms, the number of Units being exercised;
- (b) specify the number of the Holder's securities account with Monte Titoli to be debited with the Warrants;
- (c) irrevocably instruct Monte Titoli to debit on or before the Settlement Date, the specified securities account with the Warrants being exercised;
- (d) specify the number of the Holder's account to be credited with the Cash Settlement Amount (if any) for each Warrant or Unit, as the case may be, being exercised;
- (e) include an undertaking to pay or procure the payment of all Security Expenses, and an authority to the Italian Security Agent to deduct any amount in respect thereof from any Cash Settlement Amount due to such Holder and/or to debit the specified account of the Holder; and
- (f) certify that the beneficial owner of each Warrant being exercised is not a U.S. person (as defined in the Exercise Notice), the Warrant is not being exercised within the United States or on behalf of a

U.S. person and no cash, securities or other property has been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with any exercise thereof; and, where appropriate, undertake to provide such various forms of certification in respect of restrictions under the securities, commodities, tax and other laws of the United States of America as required by the relevant Agent.

#### 24.5 Exercise Notice in respect of CREST Dematerialised Warrants

Warrants which are CREST Dematerialised Warrants may be exercised prior to the Expiration Date by the delivery in writing or the sending by fax of a duly completed Exercise Notice to the Euroclear Registrar in accordance with the provisions set out in Condition 23 and this Condition 24.5.

The Exercise Notice shall:

- (a) specify the name, address and a contact telephone number of the relevant Holder;
- (b) request the exercise of the Warrants or Units to which the Exercise Notice relates;
- (c) specify the series number of the Warrants and the number of Warrants being exercised and, if Units are specified in the applicable Final Terms, the number of Units being exercised;
- (d) specify the Participant ID and Member Account (if any) of the Holder at the Operator from which the Warrants to which the Exercise Notices relates will be delivered to the Euroclear Registrar's account with the Operator against payment of the Cash Settlement Amount (if any) less any Security Expenses;
- (e) irrevocably agree to deliver such instructions to the Operator as may be requested by the Euroclear Registrar to give effect to the delivery and payment on the Settlement Date described in (d) above;
- (f) include an undertaking to pay or procure the payment of all Security Expenses, and an authority to the Euroclear Registrar to deduct any amount in respect thereof from any Cash Settlement Amount due to such Holder and/or to debit the cash memorandum account of the Holder;
- (g) certify that the beneficial owner of each Warrant being exercised is not a U.S. person (as defined in the Exercise Notice), the Warrant is not being exercised within the United States or on behalf of a U.S. person and no cash, securities or other property has been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with any exercise thereof, and, where appropriate, undertake to provide such various forms of certification in respect of restrictions under the securities, commodities, tax and other laws of the United States of America as required by the relevant Agent;
- (h) authorise the production of the Exercise Notice in any applicable administrative or legal proceedings; and
- (i) in the case of Physical Delivery Warrants, the Exercise Notice shall also:
  - (i) specify the cash memorandum account of the Holder as shown in the records of the Operator from which the aggregate Exercise Prices and all Security Expenses (together with any other amounts payable) in respect of such Warrants will be paid to the Euroclear Registrar's account with the Operator against delivery of the Entitlement on the Settlement Date;
  - (ii) irrevocably agree to deliver such instructions to the Operator as may be requested by the Euroclear Registrar to give effect to the delivery and payments described in (i)(i) above; and

- (iii) 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 number of the Holder's cash memorandum account as shown in the records of the Operator to be credited with any cash payable by BNPP B.V., either in respect of any cash amount constituting the Entitlement or any dividends relating to the Entitlement or as a result of the occurrence of a Settlement Disruption Event or a Failure to Deliver due to Illiquidity and BNPP B.V. electing to pay the Disruption Cash Settlement Price or Failure to Deliver Settlement Price, as applicable, or as a result of BNPP B.V. electing to pay the Alternate Cash Amount.

#### 24.6 Verification of the Holder

In the case of Clearing System Warrants (other than Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC and CBF Warrants), upon receipt of an Exercise Notice, the relevant Clearing System (in the case of English Law Warrants) or the relevant Account Holder (in the case of French Law Warrants) or the Frankfurt Warrant Agent (in the case of CBF Warrants) shall verify that the person exercising the Warrants is the holder thereof according to the books of such Clearing System (in the case of English Law Warrants) or in the accounts of the relevant Account Holders (in the case of French Law Warrants). Subject thereto, the relevant Clearing System, the relevant Account Holder or, as the case may be, Frankfurt Warrant Agent will confirm to the Principal Security Agent the series number and the number of Warrants being exercised and the account details, if applicable, for the payment of the Cash Settlement Amount or, as the case may be, the details for the delivery of the Entitlement of each Warrant or Unit, as the case may be, being exercised. Upon receipt of such confirmation, the Principal Security Agent will inform the Issuer thereof. The relevant Clearing System or, as the case may be, the relevant Account Holder will on or before the Settlement Date debit the securities account of the relevant Holder or, in the case of CBF Warrants, the securities account of the Frankfurt Warrant Agent with the Warrants being exercised. If the Warrants are American Style Warrants, upon exercise of less than all the English Law Warrants constituted by the relevant Clearing System Global Warrant, the Common Depositary or (in the case of CBF Warrants) Clearstream, Frankfurt will, on the instructions of, and on behalf of the Principal Security Agent, note such exercise on the Schedule to such Clearing System Global Warrant and the number of Warrants so constituted shall be reduced by the cancellation *pro tanto* of the Warrants so exercised.

In the case of Registered Warrants, upon receipt of an Exercise Notice, the Registrar shall verify that the person exercising the Warrants is the Holder according to the Register. Subject thereto, the Registrar shall confirm to the Issuer and the Agent the series number and the number of Warrants being exercised and the account details, if applicable, for the payment of the Cash Settlement Amount or, as the case may be, the details for delivery of the Entitlement of each Warrant or Unit, as the case may be, being exercised. The Registrar will on or before the Settlement Date remove from the Register the Warrants being exercised. If the Warrants are American Style Warrants, upon exercise of less than all the Warrants constituted by the Registered Global Warrant, the Registrar will note such exercise on the Schedule to the Registered Global Warrant and the number of Warrants so constituted shall be reduced by the cancellation *pro tanto* of the Warrants so exercised.

In the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, upon receipt of an Exercise Notice, the New York Security Agent shall verify that the person exercising the Warrants is the Holder according to the records of DTC. Subject thereto, the New York Security Agent shall notify BNPP of the number of Warrants being exercised and the account details, if applicable, for the payment of the Cash Settlement Amount or, as the case may be, the details for delivery of the Entitlement in respect of each Warrant or Unit, as the case may be, being exercised. If the Warrants are American Style Warrants, upon

exercise of less than all the Warrants constituted by the Rule 144A Global Warrant held by a Custodian on behalf of DTC, the New York Security Agent will note such exercise on the Schedule to such Rule 144A Global Warrant and the number of Warrants so constituted shall be reduced by the cancellation *pro tanto* of the Warrants so exercised.

In the case of Private Placement Definitive Warrants, upon receipt of an Exercise Notice, the Definitive Security Agent shall verify that the person exercising the Warrants is the Holder according to the Private Placement Register. Subject thereto, the Definitive Security Agent shall notify BNPP of the number of Warrants being exercised and the account details, if applicable, for the payment of the Cash Settlement Amount, or, as the case may be, the details for delivery of the Entitlement in respect of each Warrant or Unit being exercised. If the Warrants are American Style Warrants, upon exercise of less than all the Warrants constituted by such Private Placement Definitive Warrant, the Holder will surrender such Private Placement Definitive Warrant and BNPP shall execute and the Definitive Security Agent shall authenticate and make available for delivery to the Holder a new Private Placement Definitive Warrant, in an amount equal to, and in exchange for, the unexercised portion of the Private Placement Definitive Warrant being surrendered. Notwithstanding any other provision set out herein, Private Placement Definitive Warrants may only be exercised in a notional amount of at least U.S. \$250,000, and the remaining unexercised portion thereof must be at least U.S. \$250,000.

In the case of Italian Dematerialised Warrants, upon receipt of an Exercise Notice, the Italian Security Agent shall verify that the person exercising the Warrants is the holder thereof according to the records of Monte Titoli. Subject thereto, Monte Titoli will confirm to the Italian Security Agent the series number and the number of Warrants being exercised and the account details for the payment of the Cash Settlement Amount. Upon such verification, the Italian Security Agent will inform the Issuer thereof. Monte Titoli will on or before the Settlement Date debit the securities account of the relevant Holder with the Warrants being exercised and accordingly reduce the number of Warrants of the relevant series by the cancellation *pro tanto* of the Warrants so exercised.

In the case of CREST Dematerialised Warrants, upon receipt of an Exercise Notice, the Euroclear Registrar shall verify that the person delivering such notice is the holder of the related CREST Dematerialised Warrants according to the Record maintained by the Euroclear Registrar. Subject thereto, the Euroclear Registrar on behalf of the Issuer, shall promptly liaise with the Holder to request that it delivers any necessary instructions to the Operator referred to above to give effect to the delivery of the relevant Warrants to the Euroclear Registrar's account with the Operator against payment of the Cash Settlement Amount (if any) less any Security Expenses on the Settlement Date. Settlement of the relevant Warrants is conditional on any such necessary instructions being given by the Holder.

#### 24.7 Settlement

##### (a) Cash Settled Warrants

If the Warrants are Cash Settled Warrants other than Swedish Dematerialised Warrants, Finnish Dematerialised Warrants, Danish Dematerialised Warrants, Italian Dematerialised Warrants or CREST Dematerialised Warrants, the Issuer shall on the Settlement Date pay or cause to be paid the Cash Settlement Amount (if any) for each duly exercised Warrant or Unit, as the case may be, to the account specified in the relevant Exercise Notice for value on the Settlement Date less any Security Expenses.

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

If the Warrants are Finnish Dematerialised Warrants, payment of the Cash Settlement Amount (if any) will be made to the persons registered as Holders in the register maintained by Euroclear Finland on the fifth trading day following the Valuation Date (the "**Finnish Record Date**"). The Finnish Security Agent will pay the Cash Settlement Amount on the third Business Day following the Finnish Record Date to each Holder appearing in the Euroclear Finland Register on the Finnish Record Date. In the event of late payment not due to an event or circumstance mentioned below in this paragraph, penalty interest will be payable on the overdue amount from the due date for payment thereof up to and including the date on which payment is made at an interest rate corresponding to, in the case of Helsinki Business Day, EURIBOR (or any other interbank offered rate applicable in Helsinki) increased by one percentage point. Interest will not be capitalized. Where the Issuer, the Guarantor (if any) or any Security Agent, due to any legal enactment (domestic or foreign), the intervention of a public authority (domestic or foreign), an act of war, strike, blockade, boycott, lockout or any other similar event or circumstance, is prevented from effecting payment, such payment may be postponed until the time the event or circumstance impeding payment has ceased, with no obligation to pay penalty interest. The provisions in this paragraph shall apply to the extent that nothing to the contrary follows from the provisions of the Finnish Act on the Book-Entry System and Clearing (*Fin. laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* (749/2012)) and the Finnish Act on Book-Entry Accounts (*Fin. laki arvo-osuustileistä* (827/1991)).

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

If the Warrants are Italian Dematerialised Warrants, the Issuer shall on the Settlement Date pay or cause to be paid the Cash Settlement Amount (if any) for each duly exercised Warrant or Unit, as the case may be, by credit or transfer to the Holder's account at Monte Titoli for value on the Settlement Date less any Security Expenses. The Issuer or the Guarantor will be discharged by payment to, or to the order of, Monte Titoli in respect of the amount so paid. Each of the persons shown in the records of Monte Titoli as the holder of a particular amount of the Warrants must look solely to Monte Titoli for his share of each such payment so made to, or to the order of, Monte Titoli.

If the Warrants are CREST Dematerialised Warrants, the Euroclear Registrar shall pay or cause to be paid the Cash Settlement Amount (if any) for each duly exercised Warrant or Unit, as the case may be, to the relevant Holder's cash memorandum account (as shown in the records of the Operator), such payment to be made in accordance with the rules of the Operator. In the case of an American Style Warrant that is Manually Exercised, payment of the Cash Settlement Amount as described above shall be subject to the delivery of the Warrant to the Euroclear Registrar's account with the Operator in accordance with the rules of the Operator. Payments in respect of CREST Dematerialised Warrants will be discharged by payment (as shown in the records of the Operator) to the cash account of the relevant Holder. Each of the persons shown in the Operator register of eligible debt securities as the holder of a particular amount of the Warrants must look solely to the settlement bank or the institution at which the cash account is held for his share of each such payment so made by or on behalf of BNPP B.V. as Issuer.

(b) Physical Delivery Warrants

Subject as provided in Condition 23.3 the Issuer shall on the Settlement Date deliver, or procure the delivery of, the Entitlement for each duly exercised Warrant or Unit, as the case may be, pursuant to the details specified in the Exercise Notice. Subject as provided in Condition 23.3, the Entitlement shall be delivered and evidenced in such manner as set out in the applicable Final Terms.



In the event that a Holder does not, in respect of a Physical Delivery CREST Dematerialised Warrant, deliver an Exercise Notice in accordance with Condition 24 above on or prior to 10.00 a.m. London time on the Expiration Date, the Issuer shall as soon as reasonably practicable determine the Assessed Value Payment Amount and in respect of such Warrant shall credit the Assessed Value Payment Amount to the cash memorandum account of the relevant Warrantholder in the same manner as for a Cash Settlement Amount in accordance with Condition 24 as soon as reasonably practicable following the determination of the Assessed Value Payment Amount. Upon payment of the Assessed Value Payment Amount as aforesaid, the Issuer's obligations in respect of such Warrant and the Guarantor's obligations in respect of such Warrant pursuant to the Guarantee shall be discharged. As used herein, "**Assessed Value Payment Amount**" means an amount determined by the Calculation Agent acting in good faith and in a commercially reasonable manner to be the fair market value of the Relevant Assets comprised in the Entitlement in respect of the relevant Warrant less any Security Expenses.

#### 24.8 Determinations

Any determination as to whether an Exercise Notice is duly completed and in proper form shall be made by (a) in the case of CBF Warrants, the Frankfurt Warrant Agent, (b) in the case of Clearing System Warrants (other than CBF Warrants or Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC), the relevant Clearing System (in the case of English Law Warrants other than English Law Warrants held through Euroclear France) or the relevant Account Holder (in the case of Euroclear France Warrants), (c) in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, the New York Security Agent, (d) in the case of Private Placement Definitive Warrants, the Definitive Security Agent, (e) in the case of Registered Warrants, the Registrar, in each case, in consultation with the Principal Security Agent, (f) in the case of Italian Dematerialised Warrants, the Italian Security Agent (in consultation with Monte Titoli) or (g) in the case of CREST Dematerialised Warrants, the Euroclear Registrar and shall be conclusive and binding on the Issuer, the Guarantor, if any, the Security Agents and the relevant Holder. Subject as set out below, any Exercise Notice so determined to be incomplete or not in proper form, or which is not copied to the Issuer or (other than in the case of CREST Dematerialised Warrants) the Principal Security Agent, as the case may be, immediately after being delivered or sent to the relevant Clearing System, the Frankfurt Warrant Agent, the New York Security Agent or the Definitive Security Agent, the Italian Security Agent as provided in Condition 24.4 above or the Euroclear Registrar, as provided in Condition 24.5 above, as the case may be, or, as the case may be, the relevant Account Holder as provided in Condition 24.1 above or the Registrar as provided in Condition 24.3 above, as the case may be, shall be null and void. In the case of Italian Dematerialised Warrants, the Italian Security Agent shall use its best efforts promptly to notify the Holder submitting an Exercise Notice if, in consultation with Monte Titoli, it has determined that such Exercise Notice is incomplete or not in proper form. In the absence of negligence or wilful misconduct on its part, none of the Issuer, the Guarantor, if any, the Italian Security Agents or Monte Titoli shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with such determination or the notification of such determination to a Holder.

If such Exercise Notice is subsequently corrected to the satisfaction of the relevant Clearing System, the Frankfurt Warrant Agent, the New York Security Agent, the Definitive Security Agent, the relevant Account Holder, the Registrar, the Italian Security Agent or the Euroclear Registrar, as the case may be, and, other than in the case of CREST Dematerialised Warrants, in consultation with the Principal Security Agent, it shall be deemed to be a new Exercise Notice submitted at the time such correction was delivered to the relevant Clearing System, the Frankfurt Warrant Agent, the New York Security Agent, the Definitive Security Agent, the relevant Account Holder, the Registrar, the Italian Security Agent or the Euroclear Registrar, as the case may be, and the Issuer or, other than in the case of CREST Dematerialised Warrants, the Principal Security Agent as the case may be.

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) the Warrants are Physical Delivery Warrants, any Warrant with respect to which the Exercise Notice has not been duly completed and delivered in the manner set out above by the cut-off time specified in Condition 23.1(a), in the case of American Style Warrants, or Condition 23.1(b), in the case of European Style Warrants, shall become void.

The relevant Clearing System, the New York Security Agent or the Definitive Security Agent or the Italian Security Agent (in the case of English Law Warrants other than English Law Warrants held through Euroclear France or CBF Warrants), the Frankfurt Warrant Agent (in the case of CBF Warrants), the relevant Account Holder (in the case of Euroclear France Warrants), the Registrar or the Euroclear Registrar (in the case of CREST Dematerialised Warrants), as the case may be, shall use its best efforts promptly to notify the Holder submitting an Exercise Notice if, in consultation with the Issuer or (other than in the case of CREST Dematerialised Warrants), the Principal Security Agent, as the case may be, it has determined that such Exercise Notice is incomplete or not in proper form. In the absence of negligence or wilful misconduct on its part, none of the Issuer, the Guarantor, if any, the Security Agents, the Registrar, the relevant Clearing System, the Euroclear Registrar or, as the case may be, the relevant Account Holder shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with such determination or the notification of such determination to a Holder.

#### 24.9 Delivery of an Exercise Notice

Delivery of an Exercise Notice shall constitute an irrevocable election by the relevant Holder to exercise the Warrants specified. After the delivery of such Exercise Notice, such exercising Holder may not transfer such Warrants.

#### 24.10 Automatic Exercise

- (a) This Condition only applies if the Warrants are Cash Settled Warrants which are not Swedish Dematerialised Warrants, Finnish Dematerialised Warrants, Danish Dematerialised Warrants, CREST Dematerialised Warrants, or Italian Dematerialised Warrants, Automatic Exercise is specified as applying in the applicable Final Terms and Warrants are automatically exercised as provided in Condition 23.1(a) or Condition 23.1(b).
- (b) No Exercise Notice is required to be submitted or any other action required to be taken (in the case of Clearing System Warrants other than Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC) by any relevant Holder of a Warrant in order to receive the Cash Settlement Amount in respect of such Warrant, or if Units are specified in the applicable Final Terms, a Unit, as the case may be. The Issuer shall transfer or cause to be transferred to each Clearing System through which such Warrants are held an amount equal to the aggregate of the Cash Settlement Amounts in respect of the Warrants held in each such Clearing System and each such Clearing System shall, subject to having received such aggregate Cash Settlement Amount, on the Settlement Date credit the account of each Holder of such Warrant(s) in its books with an amount equal to the aggregate Cash Settlement Amount relating to the Warrant(s) held by such Holder and on or before the Settlement Date debit such account with the number of Warrants exercised and in respect of which such Cash Settlement Amount is being paid. Neither the Issuer nor, if applicable, the Guarantor shall have any responsibility for the crediting by the relevant Clearing System of any such amounts to any such accounts.
- (c) In order to receive the Cash Settlement Amount in respect of a Warrant, or if Units are specified in the applicable Final Terms, a Unit, as the case may be, the relevant Holder must (i) (A) in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, deliver by facsimile a duly completed Exercise Notice to the New York Security Agent with a copy to the Principal Security Agent or (B) in the case of Private Placement Definitive Warrants, deliver by facsimile a duly completed Exercise Notice together with the relevant Private Placement Definitive Warrant to the Definitive Security Agent with a copy



to the Principal Security Agent, on any Business Day in New York until not later than 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the day (the "**Cut-off Date**") falling 180 days after (I) the Expiration Date, in the case of American Style Warrants, or (ii) the Actual Exercise Date, in the case of European Style Warrants, or (II) in the case of Registered Warrants, deliver in writing a duly completed Exercise Notice to the Registrar with a copy to the Principal Security Agent, on any Business Day until not later than 10.00 a.m., Tokyo time, on the Cut-off Date (as defined above). The Exercise Notice shall include the applicable information set out in the Exercise Notice referred to in Condition 24.1(a), Condition 24.1(b), Condition 24.1(c), Condition 24.2(a), Condition 24.2(b), Condition 24.2(c), Condition 24.3(a), Condition 24.3(b) or Condition 24.3(c), as applicable. The Business Day during the period from the Expiration Date or the Actual Exercise Date, as the case may be, until the Cut-off Date on which an Exercise Notice is delivered to the relevant Clearing System, the Frankfurt Warrant Agent, the New York Security Agent, the Definitive Security Agent or, as the case may be, the relevant Account Holder, or in the case of Registered Warrants, the Registrar, and a copy thereof delivered to the Principal Security Agent is referred to in this Condition 24.10 as the "**Exercise Notice Delivery Date**", provided that, (a) in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, if the Exercise Notice is received by the New York Security Agent or the copy thereof is received by the Principal Security Agent, in each case, after 5.00 p.m., New York City time, on any Business Day in New York, such Exercise Notice shall be deemed to have been delivered on the next Business Day in New York, and the Business Day in New York immediately succeeding such next Business Day in New York shall be deemed to be the Exercise Notice Delivery Date, (b) in the case of Private Placement Definitive Warrants, if the Exercise Notice is received by the Definitive Security Agent or the copy thereof received by the Principal Security Agent after 5.00 p.m., New York City time, on any Business Day in New York, such Exercise Notice shall be deemed to have been delivered on the next Business Day in New York, and the Business Day in New York immediately succeeding such next Business Day in New York shall be deemed to be the Exercise Notice Delivery Date and (c) in the case of Registered Warrants, if the Exercise Notice is received by the Registrar or the copy thereof received by the Principal Security Agent after 10.00 a.m., Tokyo time, on any Business Day, such Exercise Notice shall be deemed to have been delivered on the next Business Day, which Business Day shall be deemed to be the Exercise Notice Delivery Date.

Subject to the relevant Holder performing its obligations in respect of the relevant Warrant or Unit, as the case may be, in accordance with these Conditions, the Settlement Date for such Warrants or Units, as the case may be, shall be the fifth Business Day following the Exercise Notice Delivery Date. In the event that a Holder does not, where applicable, so deliver an Exercise Notice in accordance with this Condition 24.10 prior to (a) in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC or Private Placement Definitive Warrants, 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Cut-off Date or (b) in the case of Registered Warrants, 10.00 a.m., Tokyo time, on the Cut-off Date, the Issuer's obligations in respect of such Warrants shall be discharged and no further liability in respect thereof shall attach to the Issuer or the Guarantor, if any. For the avoidance of doubt, a Holder shall not be entitled to any payment, whether of interest or otherwise, in respect of the period from the Actual Exercise Date to the Settlement Date.

#### 24.11 Exercise Risk

Exercise of the Warrants is subject to all applicable laws, regulations and practices in force on the relevant Exercise Date and none of the Issuer, the Guarantor, if any, the Registrar, the Euroclear Registrar or the Security Agents shall incur any liability whatsoever if it is unable to effect the transactions contemplated, after using all reasonable efforts, as a result of any such laws, regulations or practices. None of the Issuer, the Guarantor, if any, or the Agents shall, to the extent permitted by applicable law, under any circumstances be liable for any acts or defaults of the relevant Clearing System or, as the case may be, the relevant Account

Holder or, as the case may be, the Operator, in relation to the performance of its duties in relation to the Warrants.

#### 24.12 Automatic Early Expiration

- (a) If "Automatic Early Expiration" is specified as applicable in the applicable Final Terms, then unless previously exercised or cancelled, if on (i) any Automatic Early Expiration Valuation Date (the "**Relevant Automatic Early Expiration Valuation Date**") or (ii) in respect of an Automatic Early Expiration Valuation Period, as specified in the applicable Final Terms, an Automatic Early Expiration Event occurs, then the Warrants will be automatically cancelled in whole, but not in part, on the relevant Automatic Early Expiration Date and the amount (if any) payable on the Automatic Early Expiration Settlement Date by the Issuer upon cancellation shall be equal to the relevant Automatic Early Expiration Payout Amount.

- (b) Definitions relating to Automatic Early Expiration

"**AER Knock-out**" means the occurrence (such date of occurrence the **AER Knock-out Date**) of a Knock-out Event and/or a Knock-in Event as specified in the applicable Final Terms;

"**AER Rate**" means the rate specified as such or determined in the manner set out in the applicable Final Terms;

"**Automatic Early Expiration Date**" means the Relevant Automatic Early Expiration Valuation Date or if such date is not a Business Day, the next following Business Day, and no Holder shall be entitled to any interest or further payment in respect of such delay;

"**Automatic Early Expiration Event**" means that (a) if SPS AER Valuation is specified as applicable, the SPS AER Value is; or (b) if SPS AER Valuation and AER Knock-out are specified as not applicable (x) in the case of a single Underlying Reference, the Underlying Reference Level or (y) in the case of a Basket of Underlying References, the Basket Price is in each case, (A) "greater than", (B) "greater than or equal to", (C) "less than" or (D) "less than or equal to" the Automatic Early Expiration Level as specified in the applicable Final Terms or (c) if SPS AER Valuation is specified as not applicable and AER Knock-out is specified as applicable, an AER Knock-out occurs;

"**Automatic Early Expiration 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 Expiration Settlement Date**" means the date specified as such in the applicable Final Terms;

"**Automatic Early Expiration Payout Amount**" means an amount equal to the Automatic Early Redemption Payout set out in the applicable Final Terms, provided that if the product of the Automatic Early Redemption Payout is zero, no amount shall be payable on cancellation of the Warrant pursuant to this Condition and such Warrant shall expire worthless. If the Automatic Early Expiration Payout 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;

"**Automatic Early Expiration Valuation Date**" means (i) the AER Knock-out Date or (ii) 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 (other than Custom Index Securities), Share Securities, Debt Securities or ETI Securities, a Custom Index Business Day (in the case of Custom Index Securities), a Commodity Business Day (in the case of Commodity Securities), Fund Business Day (in the case of Fund Securities), Business Day (in the case of other Securities), as applicable, the next following Scheduled Trading Day, Custom Index Business Day,

Commodity Business Day, Fund Business Day or Business Day, as applicable, unless in the case of Index Securities, Share Securities, Debt Securities, ETI Securities or Commodity Securities, in the opinion of the Calculation Agent, any such day is a Disrupted Day (in respect of Index Securities (other than Custom Index Securities), Share Securities, Debt Securities or ETI Securities), a Custom Index Disruption Event is occurring on such day (in respect of Custom Index Securities) or 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 Custom Index Disruption Event is occurring 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 Expiration 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 Expiration Valuation Date";

**"Automatic Early Expiration Valuation Time"** means the time specified as such in the applicable Final Terms;

**"Automatic Early Expiration Valuation Period"** means the period specified as such in the applicable Final Terms;

**"Basket of Underlying References"** means, for the purposes of this Condition 24.12, the Basket of Indices, Basket of Shares, ETI Basket, Basket of Debt Instruments, Basket of Commodities, Basket of Futures 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 Expiration Valuation Date, an amount determined by the Calculation Agent, acting in good faith and in a commercially reasonable manner, equal to the sum of the values for each Underlying Reference as the product of (a) the Underlying Reference Level of such Underlying Reference on such Automatic Early Expiration Valuation Date and (b) the relevant Weighting;

**"Observation Price Source"** means the source specified as such 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 Custom Index Securities, Index Security Condition 6 (Adjustments to a Custom Index and Custom Index Disruption);
- (c) in the case of Share Securities, Share Security Condition 2 (Market Disruption), Share Security Condition 3 (Potential Adjustment Events) and Share Security Condition 4 (Extraordinary Events);
- (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 3 (Consequences of a Disruption 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 Instrument); and

**"Underlying Reference"** means, for the purposes of this Condition 24.12 each Index, Custom Index, Share, ETI Interest, Debt Instrument, Commodity, Commodity Index, Subject Currency, Future, Fund, Fund Index Underlying Interest Rate or other basis of reference to which the relevant Securities relate; and

**"SPS AER Value"** means the value from Payout Condition 2.6, 2.7, 2.8, 2.9 or 2.10 as specified as such in the applicable Final Terms;

**"Underlying Reference Level"** means, in respect of any Automatic Early Expiration 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 or (ii) if Standard Underlying Reference 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 and Custom Index Securities, the level of the relevant Underlying Reference, (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 Subject Currency into the Base Currency (expressed as the number of units (or part units) of such Subject Currency for which one unit of the Base Currency can be exchanged), in each case, as determined by the Calculation Agent as of the Automatic Early Expiration Valuation Time on such Automatic Early Expiration Valuation Date or, in the case of the "official close" level, at such time on such Automatic Early Expiration Valuation Date as the "official close" level is published by the Observation Price Source.

## **25. MINIMUM AND MAXIMUM NUMBER OF WARRANTS EXERCISABLE**

### **25.1 American Style Warrants**

This Condition 25.1 applies only to American Style Warrants.

- (a) The number of Warrants exercisable by any Holder on any Actual Exercise Date or, in the case of Automatic Exercise, the number of Warrants held by any Holder on any Actual Exercise Date, in each case as determined by the Issuer, must not be less than the Minimum Exercise Number specified in the applicable Final Terms and, if specified in the applicable Final Terms, if a number greater than the Minimum Exercise Number, must be an integral multiple of the number specified in the applicable Final Terms. Any Exercise Notice which purports to exercise Warrants in breach of this provision shall be void and of no effect.
- (b) If the Issuer determines that the number of Warrants being exercised on any Actual Exercise Date by any Holder or a group of Holders (whether or not acting in concert) exceeds the Maximum Exercise Number (a number equal to the Maximum Exercise Number being the "**Quota**"), the Issuer may deem the Actual Exercise Date for the first Quota of such Warrants, selected at the discretion of the Issuer, to be such day and the Actual Exercise Date for each additional Quota of such Warrants (and any remaining number thereof) to be each of the succeeding Exercise Business Days until all such Warrants have been attributed with an Actual Exercise Date, provided, however, that the deemed Actual Exercise Date for any such Warrants which would thereby fall after the Expiration Date shall fall on the Expiration Date. In any case where more than the Quota of Warrants are exercised on the same day by Holder(s), the order of settlement in respect of such Warrants shall be at the sole discretion of the Issuer.

## 25.2 European Style Warrants

This Condition 25.2 applies only to European Style Warrants.

The number of Warrants exercisable by any Holder on the Exercise Date, as determined by the Issuer, must be equal to the Minimum Exercise Number specified in the applicable Final Terms and, if specified in the applicable Final Terms, if a number greater than the Minimum Exercise Number, must be an integral multiple of the number specified in the applicable Final Terms. Any Exercise Notice which purports to exercise Warrants in breach of this provision shall be void and of no effect.

## 26. PAYMENTS ON CANCELLATION OF WARRANTS

### 26.1 Highest Value

If "**Highest Value**" is specified as applicable in the applicable Final Terms, the greater of the fair market value or, as the case may be, Settled Amount, of a Security or Unit, as the case may be, (notwithstanding any illegality (if applicable) and taking into account any Index Adjustment Event, Custom 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, Fund Index Adjustment 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 date of cancellation or, as the case may be, partial cancellation date, notified to the Holders until the Exercise Date or the Expiration Date, as the case may be, 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 Holders to the Issuer in the Issue Price of the Securities, such amount to be paid to the Holders on the date notified to the Holders in the notice of cancellation or, as the case may be, notice of partial cancellation.

### 26.2 Market Value

If "**Market Value**" is specified as applicable in the applicable Final Terms, the fair market value or, as the case may be, Settled Amount, of a Security or Unit, as the case may be, (notwithstanding the illegality (if applicable) and taking into account any Index Adjustment Event, Custom 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, Fund Index Adjustment 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 date of cancellation or, as the case may be, partial cancellation date, notified to the Holders until the Exercise Date or the Expiration Date, as the case may be, 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 Holders to the Issuer in the Issue Price of the Securities, such an amount to be paid to the Holders on the date notified in the notice of cancellation or, as the case may be, notice of partial redemption.

## 27. RECOGNITION OF BAIL-IN AND LOSS ABSORPTION

### 27.1 Acknowledgement

By its acquisition of the Securities, each Holder (which, for the purposes of this Condition 27, includes any current or future holder of a beneficial interest in the Securities) acknowledges, accepts, consents and agrees:

- (a) to be bound by the effect of the exercise of the Bail-in or Loss Absorption Power (as defined below) by the Relevant Resolution Authority (as defined below), which may include and result in any of the following, or some combination thereof:
  - (i) the reduction of all, or a portion, of the Amounts Due (as defined below);
  - (ii) the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Issuer or another person (and the issue to the Holder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Securities, in which case the Holder agrees to accept in lieu of its rights under the Securities any such shares, other securities or other obligations of the Issuer or another person;
  - (iii) the cancellation of the Securities; and/or
  - (iv) the amendment or alteration of the exercise date or exercise period of the Securities;
- (b) that the terms of the Securities are subject to, and may be varied, if necessary, to give effect to, the exercise of the Bail-in or Loss Absorption Power by the Relevant Resolution Authority (each as defined below).

For these purposes, the "**Amounts Due**" are the amounts payable on exercise of each Security.

## 27.2 **Bail-in or Loss Absorption Power**

For these purposes, the "**Bail-in or Loss Absorption Power**" is any power existing from time to time under any laws, regulations, rules or requirements in effect in France, relating to the transposition of Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (as amended from time to time, the "**BRRD**"), including without limitation pursuant to French decree-law No. 2015-1024 dated 20 August 2015 (*Ordonnance portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière*) (as amended from time to time) ratified by the Law n°2016-1691 of 9 December 2016 relating to transparency, the fight against corruption and the modernisation of economic life (*Loi no. 2016-1691 du 9 décembre 2016 relative à la transparence, à la lutte contre la corruption et à la modernisation de la vie économique*) (as amended from time to time, this ordinance was ratified by the Law n°2016-1691 referred to below as the "**20 August 2015 Decree Law**"), 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 a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 (as amended from time to time, the "**Single Resolution Mechanism Regulation**"), or otherwise arising under French law, and in each case the instructions, rules and standards created thereunder, pursuant to which the obligations of a Regulated Entity (or an affiliate of such Regulated Entity) can be reduced (in part or in whole), cancelled, suspended, transferred, varied or otherwise modified in any way, or securities of a Regulated Entity (or an affiliate of such Regulated Entity) can be converted into shares, other securities, or other obligations of such Regulated Entity or any other person, whether in connection with the implementation of a bail-in tool following placement in resolution or otherwise.

A reference to a "**Regulated Entity**" is to any entity referred to in Section I of Article L.613- 34 of the French code *monétaire et financier* as modified by the 20 August 2015 Decree Law, which includes certain credit institutions, investment firms, and certain of their parent or holding companies established in France.



A reference to the "**Relevant Resolution Authority**" is to the *Autorité de contrôle prudentiel et de résolution*, the Single Resolution Board established pursuant to the Single Resolution Mechanism Regulation, and/or any other authority entitled to exercise or participate in the exercise of any Bail-in or Loss Absorption Power from time to time (including the Council of the European Union and the European Commission when acting pursuant to Article 18 of the Single Resolution Mechanism Regulation).

#### 27.3 **Payment of Outstanding Amounts Due**

No payment of the Amounts Due will become due and payable or be paid after the exercise of the Bail-in or Loss Absorption Power by the Relevant Resolution Authority with respect to the Issuer (or, if applicable, the Guarantor) unless, at the time such repayment or payment, respectively, is scheduled to become due, such payment would be permitted to be made by the Issuer under the laws and regulations in effect in France and the European Union applicable to the Issuer (or, if applicable, the Guarantor) or other members of its group.

#### 27.4 **No Event of Default**

Neither a cancellation of the Securities, a reduction, in part or in full, of the Amounts Due, the conversion thereof into another security or obligation of the Issuer or another person, as a result of the exercise of the Bail-in or Loss Absorption Power by the Relevant Resolution Authority with respect to the Issuer (or, if applicable, the Guarantor), nor the exercise of any Bail-in or Loss Absorption Power by the Relevant Resolution Authority with respect to the Securities will constitute non-performance of a contractual obligation, or entitle the Holder to any remedies (including equitable remedies) which are hereby expressly waived.

#### 27.5 **Notice to Holders**

Upon the exercise of any Bail-in or Loss Absorption Power by the Relevant Resolution Authority with respect to the Securities, the Issuer (or, if applicable, the Guarantor) will give notice to the Holders in accordance with Condition 10 (Notices) as soon as practicable regarding such exercise of the Bail-in or Loss Absorption Power. The Issuer (or, if applicable, the Guarantor) will also deliver a copy of such notice to the Principal Security Agent for information purposes, although the Principal Security Agent shall not be required to send such notice to Holders. Any delay or failure by the Issuer to give notice shall not affect the validity and enforceability of the Bail-in or Loss Absorption Power nor the effects on the Securities described in Condition 27.1 above.

#### 27.6 **Duties of the Principal Security Agent**

Upon the exercise of any Bail-in or Loss Absorption Power by the Relevant Resolution Authority, the Issuer (or, if applicable, the Guarantor) and each Holder (including each holder of a beneficial interest in the Securities) hereby agree that (a) the Principal Security Agent shall not be required to take any directions from Holders, and (b) the Agency Agreement shall impose no duties upon the Principal Security Agent whatsoever, in each case with respect to the exercise of any Bail-in or Loss Absorption Power by the Relevant Resolution Authority.

Notwithstanding the foregoing, if, following the completion of the exercise of the Bail-In Power by the Relevant Resolution Authority, any Securities remain outstanding (for example, if the exercise of the Bail-In Power results in only a partial write-down of the principal of the Securities), then the Principal Security Agent's duties under the Agency Agreement shall remain applicable with respect to the Securities following such completion to the extent that the Issuer (or, if applicable, the Guarantor) and the Principal Security Agent shall agree pursuant to an amendment to the Agency Agreement.

**27.7 Pro-rating**

If the Relevant Resolution Authority exercises the Bail-in or Loss Absorption Power with respect to less than the total Amounts Due, unless the Principal Security Agent is otherwise instructed by the Issuer (or, if applicable, the Guarantor) or the Relevant Resolution Authority, any cancellation, write-off or conversion made in respect of the Securities pursuant to the Bail-in or Loss Absorption Power will be made on a pro-rata basis.

**27.8 Conditions Exhaustive**

The matters set forth in this Condition 27 shall be exhaustive on the foregoing matters to the exclusion of any other agreements, arrangements or understandings between the Issuer (or, if applicable, the Guarantor) and any holder of a Security.



## ANNEX 1

### ADDITIONAL TERMS AND CONDITIONS FOR PAYOUTS

The following terms and conditions (the "**Payout Conditions**"), subject to completion in the applicable Final Terms, relate to the payouts in respect of the Securities. In particular, certain sections of the Payout 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 Payout Conditions, the Payout Conditions shall prevail. The descriptions of the payouts, and entitlement amounts and/or related provisions included in italics below do not form part of the Payout Conditions, are included for information purposes only and are subject to the detailed terms of the relevant payout or entitlement amount, as applicable. The nomenclature of ETS payouts is based on a combination of the European Structured Investment Products Association (EUSIPA) categorisation and BNPP's internal codification.

#### 1. ETS PAYOUTS

##### 1.1 Final Payouts

The following final payouts (each a "**Final Payout**") shall apply to the Securities if specified in the applicable Final Terms:

- (a) **This section is intentionally left blank.**
- (b) **This section is intentionally left blank.**
- (c) **ETS Final Payout 1200**

If ETS Final Payout 1200 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 Payout*

*If the Settlement Price of the Underlying Reference on the Valuation Date is equal to or less than the Maximum Payout Amount, the Payout will equal the Settlement Price on the Valuation Date (divided by the product of the Exchange Rate and Parity). Otherwise the Payout will equal the Maximum Payout Amount (divided by the product of the Exchange Rate and Parity).*

- (d) **This section is intentionally left blank.**
- (e) **This section is intentionally left blank.**
- (f) **This section is intentionally left blank.**
- (g) **This section is intentionally left blank.**
- (h) **This section is intentionally left blank.**
- (i) **ETS Final Payout 1240/4**

If ETS Final Payout 1240/4 is specified as applicable in the applicable Final Terms:

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

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

- (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 Payout**

*If the Settlement Price of the Underlying Reference on the Valuation Date is greater than the Strike Price, the Payout will equal the Strike Price plus the Sprint Factor multiplied by the difference between the Settlement Price of the Underlying Reference on the Valuation Date and the Strike Price, subject to a cap of the Strike Price plus the Sprint Factor multiplied by the Upper Level less the Strike Price divided by the product of the Exchange Rate and Parity. Otherwise, the Payout will equal the Settlement Price of the Underlying Reference on the Valuation Date divided by the product of the Exchange Rate and Parity.*

(j) **ETS Final Payout 1250/1**

If ETS Final Payout 1250/1 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:

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

**Description of the Payout**

*If the Settlement Price of the Underlying Reference on the Valuation Date is greater than the Barrier Level, the Payout will equal the Bonus Level (divided by the product of the Exchange Rate and Parity). Otherwise the Payout will be equal to the Settlement Price on the Valuation Date (divided by the product of the Exchange Rate and Parity).*

(k) **This section is intentionally left blank.**

(l) **This section is intentionally left blank.**

(m) **ETS Final Payout 1250/4**

If ETS Final Payout 1250/4 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:

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

**Description of the Payout**

*If the Underlying Reference Level has never been less than or equal to the Barrier Level during the Observation Period, the Payout will be equal to the Bonus Level (divided by the Exchange Rate and Parity). Otherwise the Payout will be equal to the Settlement Price on the Valuation Date (divided by the product of the Exchange Rate and Parity) subject to a maximum of Cap Level (divided by the Exchange Rate and Parity).*

(n) **This section is intentionally left blank.**

(o) **ETS Final Payout 1250/6**

If ETS Final Payout 1250/6 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:

$$\text{Issue Price} \times \left( \frac{\text{Settlement Price Final}}{\text{Strike Price}} \right).$$

**Description of the Payout**

*If the Settlement Price of the Underlying Reference on the Valuation Date is greater than the Barrier Level, the Payout will equal the Express Amount. Otherwise, the Payout will equal the Issue Price minus the performance of the Underlying Reference.*

(p) **ETS Final Payout 1250/7**

If ETS Final Payout 1250/7 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:

$$\frac{\text{ReverseLevel} - \text{BonusLevel}}{[\text{Parity} \times \text{Exchange Rate Final}]} ; \text{ or}$$

(ii) otherwise:

$$\text{Max} \left[ 0; \frac{\text{ReverseLevel} - \text{Max}[\text{Settlement Price Final}; \text{Cap Level}]}{\text{Parity} \times \text{Exchange Rate Final}} \right]$$

**Description of the Payout**

*If the Underlying Reference Level is at all times during the Observation Period less than the Barrier Level, the Payout will equal the difference between the Reverse Level and the Bonus Level (divided by the product of the Exchange Rate and Parity). Otherwise the 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 and Parity), subject to a minimum of zero.*

- (q) **This section is intentionally left blank.**
- (r) **This section is intentionally left blank.**
- (s) **ETS Final Payout 1300**

If ETS Final Payout 1300 is specified as applicable in the applicable Final Terms:

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

Where:

"**ACT<sub>(i,i-1)</sub>**" means the number of calendar days between two ACT Days;

"**ACT Day**" means Scheduled Trading Days, Custom Index Business Days, Commodity Business Days or calendar days as specified in the applicable Final Terms;

"**AF<sub>(t)</sub>**" means fees factor<sub>(t)</sub> x div reinvested factor<sub>(t)</sub>;

"**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<sub>ti</sub> 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;

"**Cert<sub>(t0)</sub>**" means the amount specified as such in the applicable Final Terms;

"**div reinvested factor<sub>(t)</sub>**" 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<sub>(ti=t0+1) to (ti=t)</sub> (1 + Div Percentage x Gross div<sub>(ti)</sub> / UR<sub>(ti-1)</sub>); 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<sub>(t)</sub>**" means Product<sub>(ti=t0+1) to (ti=t)</sub> (1 – fees\*ACT<sub>(i,i-1)</sub>/360);

"**First Valuation Date**" means the Strike Date or the Initial Valuation Date, as specified in the Final Terms;

"**Fx<sub>(t)</sub>**" means Exchange Rate Final;

" $\mathbf{F_{x(t_0)}}$ " means Exchange Rate Previous;

" $\mathbf{Gross\ div_{(ti)}}$ " 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 behalf of any applicable authority having power to tax in respect of such dividend and without any tax credit refund or deduction granted by any applicable authority having power to tax in respect of such dividend) ex-dividend at  $\text{date}_{ti}$  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 behalf of any applicable authority having power to tax in respect of such dividend and without any tax credit refund or deduction granted by any applicable authority having power to tax in respect of such dividend) ex-dividend at  $\text{date}_{ti}$  on any constituent share in such Index at  $\text{date}_{ti}$ , taking into account the weight of such constituent share at  $\text{date}_{ti-1}$  and effectively paid, provided that if no ordinary cash dividends are paid ex-dividend at  $\text{date}_{ti}$ ,  $\text{Gross div}_{(ti)}$  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;

" $\mathbf{UR_{(t)}}$ " means Settlement Price Final;

" $\mathbf{UR_{(ti-1)}}$ " means the Settlement Price of the Underlying Reference on the Scheduled Trading Day prior to the Dividend ex  $\text{Date}_{(ti-1)}$ ; and

" $\mathbf{UR_{(t_0)}}$ " means the Settlement Price of the Underlying Reference on the First Valuation Date.

***Description of the Payout***

*The 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 of the Underlying Reference).*

(t) **ETS Final Payout 1320/1**

If ETS Final Payout 1320/1 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 Payout***

*If the Underlying Reference Level has never been less than or equal to the Barrier Level during the Observation Period, the Payout will be equal to the maximum of the Bonus Level (divided by the product of the Exchange Rate and Parity) and the Settlement Price on the Valuation Date (divided by the product of the Exchange Rate and Parity). Otherwise the Payout will be equal to the Settlement Price on the Valuation Date (divided by the Exchange Rate and Parity).*

(u) **This section is intentionally left blank.**

(v) **ETS Final Payout 1320/3**

If ETS Final Payout 1320/3 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:

$$\frac{\text{ReverseLevel} - \text{Min}[\text{BonusLevel}; \text{Settlement Price Final}]}{[\text{Parity} \times \text{Exchange Rate Final}]} ; \text{ or}$$

- (ii) otherwise:

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

**Description of the Payout**

*If the Underlying Reference Level is less than the Barrier Level at all times during the Observation Period, the 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 and Parity). Otherwise the Payout will equal the Reverse Level minus the Settlement Price on the Valuation Date (divided by the product of the Exchange Rate and Parity), subject to a minimum of zero.*

- (w) **This section is intentionally left blank.**

- (x) **This section is intentionally left blank.**

- (y) **ETS Final Payout 1399**

If ETS Final Payout 1399 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 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 Payout will be equal to the maximum of the Bonus Level (divided by the product of the Exchange Rate and Parity) and the Settlement Price on the Valuation Date (divided by the product of the Exchange Rate 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 Payout will be equal to the Settlement Price on the Valuation Date (divided by the product of the Exchange Rate and Parity). If the Underlying Reference Level has at all times been greater than the Barrier Level during the Observation Period, the Payout will be equal to the maximum of the Bonus Level (divided by the product of the Exchange Rate and Parity) and the Settlement Price on the Valuation Date (divided by the product of the Exchange Rate and Parity).*

(z) **ETS Final Payout 2100**

If ETS Final Payout 2100 is specified as applicable in the applicable Final Terms:

- (i) if the Securities are specified in the applicable Final Terms as being Call Warrants:

$$\text{Max } [0; \text{Settlement Price Final} - \text{Exercise Price}] / [\text{Parity} \times \text{Exchange Rate Final}]; \text{ or}$$

- (ii) if the Securities are specified in the applicable Final Terms as being Put Warrants:

$$\text{Max } [0; \text{Exercise Price} - \text{Settlement Price Final}] / [\text{Parity} \times \text{Exchange Rate Final}].$$

**Description of the Payout**

*In the case of Call Warrants, the Payout will be equal to the excess (if any) of the Settlement Price on the Valuation Date over the Exercise Price (divided by the product of the Exchange Rate and Parity).*

*In the case of Put Warrants, the Payout will be equal to the excess (if any) of the Exercise Price over the Settlement Price on the Valuation Date (divided by the product of the Exchange Rate and Parity).*

(aa) **ETS Final Payout 2110/1**

If ETS Final Payout 2110/1 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:

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

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

0 (zero).

### ***Description of the Payout***

*If the Settlement Price of the Underlying Reference on the Valuation Date is greater than the Lower Level, the Payout will be equal to the Settlement Price of the Underlying Reference on the Valuation Date less the Lower Level, subject to a cap on the Upper Level less the Lower Level (divided by the product of the Exchange Rate and Parity). If the Settlement Price of the Underlying Reference on the Valuation Date is less than or equal to the Lower Level, the Payout equals zero and there will be no payment on exercise of the Securities.*

*The Upper Level and the Lower Level are levels which determine the maximum amount of the Payout and the different payout scenarios.*

#### **(bb) ETS Final Payout 2110/2**

If ETS Final Payout 2110/2 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:

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

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

0 (zero).

### ***Description of the Payout***

*If the Settlement Price of the Underlying Reference on the Valuation Date is less than the Upper Level, the Payout will equal the Upper Level less the Settlement Price of the Underlying Reference on the Valuation Date, subject to a cap on the Upper Level less the Lower Level (divided by the product of the Exchange Rate and Parity). If the Settlement Price of the Underlying Reference on the Valuation Date is equal to or greater than the Upper Level, the Payout will equal zero and there will be no payment on exercise of the Securities.*

*The Upper Level and the Lower Level are levels which determine the maximum amount of the Payout and the different payout scenarios.*

#### **(cc) ETS Final Payout 2110/3**

If ETS Final Payout 2110/3 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:

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

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

0 (zero); 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:

0 (zero).

**Description of the Payout**

*If the Underlying Reference Level is at all times 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 Payout equals the Upper Level less the Lower Level (divided by the product of the Exchange Rate 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 Payout will equal zero and there will be no payment on exercise of the Securities. If the Underlying Reference Level has at any time 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 Payout will equal the Settlement Price of the Underlying Reference on the Valuation Date less the Lower Level, subject to a cap of the Upper Level less the Lower Level (divided by the product of the Exchange Rate 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 Payout will equal zero and there will be no payment on exercise of the Securities.*

*The Upper Level and the Lower Level are levels which determine the maximum amount of the Payout and the different payout scenarios.*

**(dd) ETS Final Payout 2110/4**

If ETS Final Payout 2110/4 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:

0 (zero); 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:

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

- (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:  
0 (zero).

**Description of the Payout**

*If the Underlying Reference Level is at all times 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 Payout will equal the Upper Level less the Lower Level (divided by the product of the Exchange Rate 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 Payout will equal zero and there will be no payment on exercise of the Securities. If the Underlying Reference Level has been at any time 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 Payout will equal the Upper Level less the Settlement Price of the Underlying Reference on the Valuation Date, subject to a cap of the Upper Level less the Lower Level (divided by the product of the Exchange Rate 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 Payout will equal zero and there will be no payment on exercise of the Securities. The Upper Level and the Lower Level are levels which determine the maximum amount of the Payout and the different payout scenarios.*

(ee) **ETS Payout 2200/1**

If ETS Final Payout 2200/1 is specified as applicable in the applicable Final Terms:

- (i) if the Securities are specified in the applicable Final Terms as being Call Securities:

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

- (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 Payout**

*The Payout will be equal to (i) in the case of Call Securities, the excess (if any) of the Settlement Price on the Valuation Date over the Strike Price, or (ii) in the case of Put Securities, the excess (if any) of the Strike Price over the Settlement Price on the Valuation Date, in each case divided by the product of the Exchange Rate and Parity.*

(ff) **ETS Final Payout 2200/2**

If ETS Final Payout 2200/2 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, 0 (zero); or
- (B) if a Knock-in Event has occurred but no Knock-out Event has occurred:

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

- (ii) if the Securities are specified in the applicable Final Terms as being Put Securities:

- (A) if no Knock-in Event has occurred, 0 (zero); or
- (B) if a Knock-in Event has occurred but no Knock-out Event has occurred:

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

**Description of the Payout**

*If no Knock-in event has occurred, the Payout equals zero. If a Knock-in event has occurred then the Payout will be equal to (i) in the case of Call Securities, the excess (if any) of the Settlement Price on the Valuation Date over the Strike Price, or (ii) in the case of Put Securities, the excess (if any) of the Strike Price over the Settlement Price on the Valuation Date, in each case divided by the product of the Exchange Rate and Parity.*

**(gg) ETS Final Payout 2300/1**

If ETS Final Payout 2300/1 is specified as applicable in the applicable Final Terms:

$$\text{Max} (\text{Final Cash Value} - \text{Strike}; 0) / (\text{Parity} \times \text{Exchange Rate Final})$$

Where:

"**Bear Cash Value**" or "**Bear CV<sub>t</sub>**" 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:

$$\max \left[ \text{Bear CV}_{t-1} \times \left( 1 - L \times \left( \frac{U_t + \text{div}_t^{\text{gross}}}{U_{t-1}} - 1 \right) \right) + FC_t; 0.5\% \times \text{Bear CV}_{t-1} \right];$$

- (ii) in the case of Commodity Securities or Index Securities to which Futures Price Valuation applies:

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

- (iii) in the case of Currency Securities:

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

"**Bull Cash Value**" or "**Bull CV<sub>t</sub>**" 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:

$$\max \left[ \text{Bull CV}_{t-1} \times \left( 1 + L \times \left( \frac{U_t + \text{div}_t^{\text{net}}}{U_{t-1}} - 1 \right) \right) + FC_t; 0.5\% \times \text{Bull CV}_{t-1} \right];$$

- (ii) in the case of Commodity Securities or Index Securities to which Futures Price Valuation applies:

$$\max \left[ \text{Bull CV}_{t-1} \times \left( 1 + L \times \left( \frac{U_t}{U_{t-1} + rc_{t-1}} - 1 \right) \right) + FC_t; 0.5\% \times \text{Bull CV}_{t-1} \right]; \text{ or}$$

- (iii) in the case of Currency Securities:

$$\max \left[ \text{Bull CV}_{t-1} \times \left( 1 + L \times \left( \frac{U_t}{U_{t-1}} - 1 \right) \right) + FC_t; 0.5\% \times \text{Bull CV}_{t-1} \right]; \text{ and}$$

"**Cash Value**" or "**CV<sub>t</sub>**" means (i) in the case of a Bull Warrant, Bull CV<sub>t</sub> and (ii) in the case of a Bear Warrant, Bear CV<sub>t</sub>;

"**Final Cash Value**" means the Cash Value on the relevant Valuation Date;

"**Strike**" is 0 (zero); and

"**Valuation Date**" means the date specified in the applicable Final Terms as the 2300/1 Final Valuation Date, provided 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 Cash Value and the Bull Cash Value on each Relevant Business Day. In order to make such calculation the Calculation Agent will also calculate the Underlying Price<sub>t</sub> on each Relevant Business Day.

If, in respect of any Relevant Business Day (including the Valuation Date), Underlying Price<sub>t</sub> 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<sub>t</sub> 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<sub>t</sub> is not available before the Cut-off Time (other than as a result of a Non-Commencement or Discontinuance of the Exchange-traded Contract), the Calculation Agent will determine the Underlying Price<sub>t</sub> 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 Warrants) or (ii) equal to or less than the Reset Threshold (in the case of Bull Warrants) (each a "**Reset Event**"), the Calculation Agent will on each occasion calculate the Reset Price as provided in Payout Condition 1.5 below and the Adjusted Bull CV or the Adjusted Bear CV, as the case may be, shall be the Bull Cash Value or the Bear Cash 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<sub>t</sub> falling at the end of such period the Calculation Agent

will calculate the Bull Cash Value or the Bear Cash 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<sub>t</sub>;
- (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 Payout***

*In the case of Bull Warrants and Bear Warrants, the Payout will equal the excess (if any) of the Cash Value on the Valuation Date over the Strike (divided by the product of the Exchange Rate on the Valuation Date and Parity).*

*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 Warrants 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 Warrants 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.*

## **1.2 Automatic Early Redemption Payouts**

If Automatic Early Expiration is specified as applicable in the applicable Final Terms and an Automatic Early Expiration Event occurs, the following Automatic Early Redemption payouts (each an "**Automatic Early Redemption Payout**") shall apply to the Securities if specified in the applicable Final Terms:

### **Automatic Early Redemption Payout 2200/1 and 2200/2**

If Automatic Early Redemption Payout 2200/1 or 2200/2 is specified as applicable in the applicable Final Terms, 0 (zero).

## **1.3 This section is left intentionally blank**

## **1.4 General Definitions for ETS Payouts**

"**Barrier 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 Barrier Percentage and the Strike Level rounded upwards or downwards as determined by the Calculation Agent in good faith and a commercially reasonable manner;

"**Barrier 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 in a commercially reasonable manner;

**"Bonus Level Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Bonus Percentage"** 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 in a commercially reasonable manner;

**"Cap Level Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Cap Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Coupon 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;

**"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;

**"Exchange Rate Final"** means the Exchange Rate on the Valuation Date;

**"Exchange Rate Initial"** means the Exchange Rate on the Strike Date;

**"Express Amount"** means the amount specified as such in the applicable Final Terms;

**"i"** means the number specified as such in the applicable Final Terms;

**"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;

**"Lower Level"** means the number or amount specified as such in the applicable Final Terms;

**"Maximum Payout Amount"** means the amount specified as such in the applicable Final Terms;

**"n"** means the number specified as such in the applicable Final Terms;

**"Observation Price Source"** means the source specified as such in the applicable Final Terms;

**"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;

**"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;

**"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 in a commercially reasonable manner;

**"Reverse Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Settlement Price Final"** means the Settlement Price on the Valuation Date;

**"Sprint Factor"** means the number 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,

in each case on the Strike Date;

**"Strike Price"** means the relevant Exercise Price;

**"Underlying Reference"** means, for the purposes of the ETS Payouts, each Index, Share, Commodity, Commodity Index, Subject Currency, Future, Debt Instrument or other basis of reference to which the relevant Securities relate;

**"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", "last price", "bid price" or "asked price" 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 Subject Currency into the Base Currency (expressed as the number of units (or part units) of such Subject Currency for which one unit of the Base Currency can be exchanged) or (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, in each case for such time on such day;

**"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.

## 1.5 Additional Definitions for ETS Final Payout 2300/1



"**Adjusted Bear CV**" or "**Adjusted Bull CV**" means an amount calculated by the Calculation Agent in accordance with the Bear CV<sub>(t)</sub> formula or the Bull CV<sub>(t)</sub> formula, as the case may be, in Payout Condition 1.1(gg) 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**"):
  - (a)  $FC_t$  will be equal to (0) zero; and
  - (b)  $U_t$  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<sub>t-1</sub> will be the Adjusted Bear CV and Bull CV<sub>t-1</sub> 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<sub>0</sub>**" means the Issue Price per Warrant converted into the Calculation Currency at the Exchange Rate on the Relevant Business Day preceding the Commencement Date (t=0);

"**Bear CV<sub>t-1</sub>**" means, in respect of the calculation of CV<sub>t</sub>, the Bear Cash Value last calculated provided that the Bear CV<sub>t-1</sub> for the Listing Date is Bear CV<sub>0</sub>;

"**Bull CV<sub>0</sub>**" means the Issue Price per Warrant converted into the Calculation Currency at the Exchange Rate on the Relevant Business Day preceding the Commencement Date (t=0);

"**Bull CV<sub>t-1</sub>**" means, in respect of the calculation of Bull CV<sub>t</sub>, the Bull Cash Value last calculated provided that the Bull CV<sub>t-1</sub> for the Listing Date is Bull CV<sub>0</sub>;

"**Calculation Currency**" means the currency of the Underlying Reference (in respect of Index Securities, Share Securities and Commodity Securities) or the Subject Currency (in respect of Currency Securities);

"**Calculation Time<sub>t</sub>**" 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<sub>t-1</sub>**" 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;

**" $\text{div}_t^{\text{gross}}$ "** 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;

**" $\text{div}_t^{\text{net}}$ "** 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 Italian regulated market 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.prodottidiborsa.com](http://www.prodottidiborsa.com);

**"Fee Range"** means the range specified as such in the applicable Final Terms;

**"Financing Component<sub>t</sub>"** or **"FC<sub>t</sub>"** means, in respect of a Relevant Business Day:

(i) in the case of Bear Warrants that are Index Securities or Share Securities:

$$-CV_{t-1} \times ((-L - 1) \times (r_{t-1}^u - rm) + L \times (hc + F)) \times n(t - 1, t);$$

(ii) in the case of Bull Warrants that are Index Securities or Share Securities:

$$-CV_{t-1} \times ((L - 1) \times (r_{t-1}^u + rm) + L \times (hc + F)) \times n(t - 1, t);$$

(iii) in the case of Bear Warrants that are Commodity Securities or Index Securities to which Futures Price Valuation applies:

$$-CV_{t-1} \times (-(r_{t-1}^u - rm) + L \times (hc + F)) \times n(t - 1, t);$$

- (iv) in the case of Bull Warrants that are Commodity Securities or Index Securities to which Futures Price Valuation applies:

$$-CV_{t-1} \times (-r_{t-1}^u - rm) + L \times (hc + F) \times n(t-1, t);$$

- (v) in the case of Bear Warrants that are Currency Securities:

$$-CV_{t-1} \times (-r_{t-1}^{ub} - L \times (r_{t-1}^{ub} - r_{t-1}^{ur} - rm) + L \times (hc + F)) \times n(t-1, t); \text{ or}$$

- (vi) in the case of Bull Warrants 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 Italian regulated market 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 published on the website [www.prodottidiborsa.com](http://www.prodottidiborsa.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<sub>t-1</sub> to and including Calculation Time<sub>t</sub>;

"**Rate Period**" or "**n<sub>(t-1,t)</sub>**" 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"**, " $r_{t-1}^u$ ", " $r_{t-1}^{ub}$ " or " $r_{t-1}^{ur}$ " 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 Warrants that are Index Securities or Share Securities:

$$(1 + P_{reset}) \times U_{t-1} - div_t^{gross};$$

- (ii) in respect of Bull Warrants that are Index Securities or Share Securities:

$$(1 - P_{reset}) \times U_{t-1} - div_t^{net};$$

- (iii) in respect of Bear Warrants that are Commodity Securities or Index Securities to which Futures Price Valuation applies:

$$(1 + P_{reset}) \times (U_{t-1} + rc_{t-1});$$

- (iv) in respect of Bull Warrants that are Commodity Securities or Index Securities to which Futures Price Valuation applies:

$$(1 - P_{reset}) \times (U_{t-1} + rc_{t-1});$$

- (v) in respect of Bear Warrants that are Currency Securities:

$$(1 + P_{reset}) \times (U_{t-1}); \text{ or}$$

- (vi) in respect of Bull Warrants that are Currency Securities:

$$(1 - P_{reset}) \times U_{t-1},$$

Provided that:

- (x) at Calculation Time<sub>t</sub> 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<sub>t-1</sub>" will be deemed to be references to "U<sub>t</sub>" and, in the case of paragraphs (iii) and (iv) above, references to "rc<sub>t-1</sub>" will be deemed to be references to "rc<sub>t</sub>"; 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<sub>t-1</sub> is the Reset Price last calculated before the relevant Reset Event Determination Time;
  - (ii) div<sub>t</sub><sup>net</sup> or div<sub>t</sub><sup>gross</sup>, as the case may be, is equal to (0) zero; and
  - (iii) rc<sub>t-1</sub> is equal to (0) zero.

**"Reset Threshold Percentage"** or **"P<sub>reset</sub>"** means the percentage specified as such in the applicable Final Terms;

**"Rollover Costs<sub>t</sub>"** or **"rc<sub>t</sub>"** 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<sub>t-1</sub>"** or **"rc<sub>t-1</sub>"** 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<sub>t</sub>"** or **"U<sub>t</sub>"** means, in respect of a Relevant Business Day and subject as provided in Payout Condition 1.1(gg):

- (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<sub>(t-1)</sub>"** or **"U<sub>(t-1)</sub>"** 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).

#### 1.6 **Additional provisions for Warrant@Work Warrants**

If Warrant@Work is specified as applicable in the applicable Final Terms the following provisions shall apply to the Securities:

- (a) Additional definitions for Warrant@Work Warrants

**"Option Hedging Date"** means the date specified as such in the applicable Final Terms;

**"Parity"** means an amount calculated by the Calculation Agent and rounded to three decimal places (with 0.0005 being rounded upwards) equal to:

$$\frac{P_{SD}}{[\text{Issue Price}]}$$

where **"P<sub>SD</sub>"** means an amount determined by the Calculation Agent in good faith and in a commercially reasonable manner equal to the offer price (expressed as the Premium per Option) on the Option Hedging Date that would be payable by the Issuer to enter into an "at-the-money" physically settled American Style Call option transaction relating to the Relevant Asset in respect of the Securities on standard market terms (the **"Call Option"**) with a counterparty with a creditworthiness of at least equal to that of the Issuer (or if the Securities are guaranteed by a Guarantor, the Guarantor) and having the following terms:

- (i) the relevant fund share, exchange traded fund share, exchange traded note, unit of an exchange traded commodity or other interest in an exchange traded product, as the case may be, the same as the Relevant Asset;
- (ii) an expiration date the same as the Expiration Date in respect of the Securities;
- (iii) an exercise period the same as the Exercise Period in respect of the Securities; and
- (iv) an option entitlement per option equal to one Relevant Asset;

"**Parity Entitlement Amount**" means an amount of the Relevant Assets calculated by the Calculation Agent equal to:

$$\frac{1}{\text{Parity}};$$

"**Warrant@Work Exercise Price**" means the strike price per fund interest unit of the Call Option on the Option Hedging Date; and

"**Warrant Exercise Fee**" means the amount per Warrant (or if Units are specified in the applicable Final Terms, per Unit) specified as such in the applicable Final Terms.

(b) Amendments to Conditions:

- (i) Condition 11.1 (Security Expenses) shall be amended by the addition of the words "the Warrant Exercise Fee and" after the words "A Holder must pay".
- (ii) Condition 23.3 (Physical Settlement) shall be amended by the deletion of the second paragraph and the substitution of the following:

"If Aggregation is specified as applicable in the applicable Final Terms Warrants or Units, as the case may be, exercised at the same time by the same Holder will be aggregated for the purpose of determining the aggregate Entitlements in respect of such Warrants or Units, as the case may be, provided that the aggregate Entitlements in respect of the same Holder will be rounded up 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."

(c) Notification

The Issuer shall give notice in accordance with Condition 10 of the value of Parity and the Warrant@Work Exercise Price as soon as practicable following their determination.

## 2. SPS PAYOUTS AND ENTITLEMENT AMOUNTS

### 2.1 This section is intentionally left blank

### 2.2 SPS Final Payouts

The following final payouts which when multiplied by the applicable NA (each a "**Final Payout**") will apply to the Securities if specified in the applicable Final Terms:

(a) **SPS Fixed Percentage Securities**

If the Securities are specified in the applicable Final Terms as being SPS Fixed Percentage Securities:

Constant Percentage 1

*Description of the Payout*

*The Payout comprises a fixed percentage equal to the Constant Percentage 1*

(b) **SPS Reverse Convertible Securities**

(i) **SPS Reverse Convertible Securities**

If the Securities are specified in the applicable Final Terms as being SPS Reverse Convertible Securities:

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

Constant Percentage 1; or

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

Max (Constant Percentage 2 + Gearing  $\times$  Option; 0%)

Where:

**"Option"** means Put, Put Spread, EDS or Forward as specified in the applicable Final Terms;

**"EDS"** means Max (Floor Percentage, Min (Constant Percentage 3 – nEDS  $\times$  Loss Percentage, 0%));

**"nEDS"** means the number of Underlying Reference(s) in the Basket in respect of which the Final Redemption Value is (i) less than or equal to or (ii) less than, as specified in the applicable Final Terms, EDS Barrier Percentage;

**"Forward"** means Final Redemption Value – Strike Percentage;

**"Put"** means Max (Strike Percentage – Final Redemption Value; 0); and

**"Put Spread"** means Min (Max (Strike Percentage – Final Redemption Value; 0); Cap Percentage),

Provided That (aa) if the provisions of sub-paragraph (A) of this Payout Condition 2.2(b)(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 Payout Condition 2.2(b)(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 Payout***

*The Payout comprises:*

- *if no Knock-in Event has occurred, a fixed percentage equal to the Constant Percentage 1;*
- *if a Knock-in Event has occurred and Option is Put or Put Spread indexation to the value of the Underlying Reference(s) up to the Strike Percentage; or*
- *if a Knock-in Event has occurred and Option is Forward, indexation to the value of the Underlying Reference(s); 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 References with a value above this barrier the higher the Percentage.*
- *Physical Delivery may also apply.*

(ii) **SPS Reverse Convertible Standard Securities**

If the Securities are specified in the applicable Final Terms as being SPS Reverse Convertible Standard Securities:

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

100%; or

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

Min (100%, Final Redemption Value).

***Description of the Payout***

*The Payout comprises:*

- *if no Knock-in Event has occurred, 100 per cent.; or*
- *if a Knock-in Event has occurred, the minimum of 100 per cent. and indexation to the value of the Underlying Reference(s).*

(c) **SPS Vanilla Products**

(i) **Vanilla Call Securities**

If the Securities are specified in the applicable Final Terms as being Vanilla Call Securities:

Constant Percentage 1 + Gearing\*Max (Final Redemption Value - Strike Percentage, Floor Percentage)

***Description of the Payout***

*The Payout comprises:*

- *if Gearing is positive, a fixed percentage equal to Constant Percentage 1 or, if Gearing is negative, no fixed percentage; and*
- *indexation to the value of the Underlying Reference(s) above the Strike Percentage.*

(ii) **Vanilla Call Spread Securities**

If the Securities are specified in the applicable Final Terms as being Vanilla Call Spread Securities:

Constant Percentage 1 + Gearing \* Min (Max (Final Redemption Value - Strike Percentage; Floor Percentage), Cap Percentage)

***Description of the Payout***

*The Payout comprises:*

- *if Gearing is positive, a fixed percentage equal to Constant Percentage 1 or, if Gearing is negative, no fixed percentage; and*
- *indexation to the value of the Underlying Reference(s) above the Strike Percentage up to a maximum level. The maximum level is equal to the Cap Percentage.*

(iii) **Vanilla Put Securities**



If the Securities are specified in the applicable Final Terms as being Vanilla Put Securities:

Constant Percentage 1 + Gearing \* Max (Strike Percentage - Final Redemption Value; 0)

***Description of the Payout***

*The Payout comprises:*

- *if Gearing is positive a fixed percentage equal to Constant Percentage or if Gearing is negative, no fixed percentage; and*
- *indexation to the value of the Underlying Reference(s) below the Strike Percentage.*

(iv) **Vanilla Put Spread Securities**

If the Securities are specified in the applicable Final Terms as being Vanilla Put Spread Securities:

Constant Percentage 1 + Gearing \* Min (Max (Strike Percentage - Final Redemption Value; 0); Cap Percentage)

***Description of the Payout***

*The Payout comprises:*

- *if Gearing is positive a fixed percentage equal to Constant Percentage 1 or, if Gearing is negative, no fixed percentage; and*
- *indexation to the value of the Underlying Reference(s) below the Strike Percentage up to a maximum level. The maximum level is equal to the Cap Percentage.*

(v) **Vanilla Digital Securities**

If the Securities are specified in the applicable Final Terms as being Vanilla Digital Securities:

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

Constant Percentage 1 + Bonus Coupon; or

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

Constant Percentage 2.

***Description of the Payout***

*The Payout comprises:*

- *a fixed percentage; and*
- *if a Knock-in Event has occurred, the Bonus Coupon.*

(vi) **Knock-in Vanilla Call Securities**

If the Securities are specified in the applicable Final Terms as being Knock-in Vanilla Call Securities:

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

Constant Percentage 1 + Gearing \* Max (Final Redemption Value - Strike Percentage, Floor Percentage); or

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

Constant Percentage 2.

***Description of the Payout***

*The Payout comprises:*

- a fixed percentage; and
- if a Knock-in Event has occurred, indexation to the value of the Underlying Reference(s) above the Strike Percentage.

(vii) **Knock-out Vanilla Call Securities**

If the Securities are specified in the applicable Final Terms as being Knock-out Vanilla Call Securities:

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

Constant Percentage 1 + Gearing \* Max (Final Redemption Value - Strike Percentage, Floor Percentage); or

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

Constant Percentage 2.

***Description of the Payout***

*The Payout comprises:*

- a fixed percentage; and
- if no Knock-out Event has occurred, indexation to the value of the Underlying Reference(s) above the Strike Percentage.

(d) **Asian Products**

(i) **Asian Securities**

If the Securities are specified in the applicable Final Terms as being Asian Securities:

(A) If Asian Local Cap is specified as applicable then:

Constant Percentage 1 + Gearing \* Max( $\frac{1}{\text{Total M}} \times \sum_{(i)}^M (\text{Min}(\text{Max}(\text{Final Redemption Value}_{(i)} - \text{Strike Percentage}_{(i)}, \text{Local Floor Percentage}_{(i)}), \text{Local Cap Percentage}_{(i)})), \text{Floor Percentage})$ )

(B) If Asian Local Cap is specified as not applicable:

Constant Percentage 1 + Gearing \* Max( $\frac{1}{\text{Total M}} \times \sum_{(i)}^M (\text{Max}(\text{Final Redemption Value}_{(i)} - \text{Strike Percentage}_{(i)}, \text{Local Floor Percentage}_{(i)})), \text{Floor Percentage})$ )

***Description of the Payout***

*The Payout comprises:*

- *a fixed percentage equal to Constant Percentage 1; and*
- *indexation to the average value of the Underlying Reference(s) when the average value is above the Strike Percentage.*

(ii) **Asian Spread Securities**

If the Securities are specified in the applicable Final Terms as being Asian Spread Securities:

(A) If Asian Local Cap is specified as applicable then:

$$\text{Constant Percentage 1} + \text{Gearing} * \text{Min} \left( \text{Max} \left( \frac{1}{\text{Total M}} \times \sum_{(i)}^M (\text{Min} (\text{Max} (\text{Final Redemption Value}_{(i)} - \text{Strike Percentage}_{(i)}), \text{Local Floor Percentage}_{(i)})), \text{Local Cap Percentage}_{(i)} \right), \text{Floor Percentage} \right); \text{Cap Percentage} \right)$$

(B) If Asian Local Cap is specified as not applicable:

$$\text{Constant Percentage 1} + \text{Gearing} * \text{Min} \left( \text{Max} \left( \frac{1}{\text{Total M}} \times \sum_{(i)}^M (\text{Max} (\text{Final Redemption Value}_{(i)} - \text{Strike Percentage}_{(i)}), \text{Local Floor Percentage}_{(i)} \right), \text{Floor Percentage} \right); \text{Cap Percentage} \right)$$

**Description of the Payout**

*The Payout comprises:*

- *a fixed percentage equal to Constant Percentage 1; and*
- *indexation to the average value of the Underlying Reference(s) up to a maximum level if the average value is above the Strike Percentage. The maximum level is equal to the Cap Percentage.*

(iii) **Himalaya Securities**

If the Securities are specified in the applicable Final Terms as being Himalaya Securities:

$$\text{Constant Percentage 1} + \text{Gearing} * \text{Max} \left( \frac{1}{\text{Total M}} \times \sum_{(i)}^M \text{max} (\text{Best Lock Value}_{(i)} - \text{Strike Percentage}_{(i)}, \text{Local Floor Percentage}_{(i)}), 0 \right)$$

Where:

"**BestLockValue<sub>(i)</sub>**" means the highest Underlying Reference Value on SPS Valuation Date<sub>(i)</sub> of the Underlying Reference(s) in Relevant Basket<sub>(i)</sub>; and

"**Relevant Basket<sub>(i)</sub>**" means, in respect of SPS Valuation Date<sub>(i)</sub>, a Basket comprising each Underlying Reference in Relevant Basket<sub>(i-1)</sub> but excluding the Underlying Reference in relation to BestLockValue<sub>(i-1)</sub>.

Relevant Basket<sub>(i=1)</sub> will be set out in the applicable Final Terms.

**Description of the Payout**

*The Payout comprises:*

- *a fixed percentage equal to Constant Percentage 1;*
- *average indexation to the Underlying References above the Strike Percentage in accordance with the selection criteria on each Valuation Date where the Value of the best performing Underlying Reference in the Basket is calculated and then removed from the Basket for the following Valuation Dates, the Payout providing*

*indexation to the average of those calculated Values (the BestLockValues) above the Strike Percentage.*

(e) **Auto-Callable Products**

(i) **Autocall Securities**

If the Securities are specified in the applicable Final Terms as being Autocall Securities:

(A) if the Final Redemption Condition is satisfied:

Constant Percentage 1 + FR Exit Rate; or

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

Constant Percentage 2 + Coupon Airbag Percentage; or

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

Max (Constant Percentage 3 + Gearing  $\times$  Option; 0%)

where:

**"Option"** means Put, Put Spread, EDS or Forward as specified in the applicable Final Terms;

**"EDS"** means Max (Floor Percentage, Min (Constant Percentage 4 – nEDS  $\times$  Loss Percentage, 0%));

**"Forward"** means Final Redemption Value – Strike Percentage;

**"nEDS"** means the number of underlying Reference(s) in the Basket in respect of which the relevant Final Redemption Value is (i) less than or equal to or (ii) less than, as specified in the applicable Final Terms, the EDS Barrier Percentage;

**"Put"** means Max(Strike Percentage – Final Redemption Value; 0); and

**"Put Spread"** means Min (Max (Strike Percentage – Final Redemption Value; 0); Cap Percentage),

Provided That (aa) if the provisions of sub-paragraph (A) of this Payout Condition 2.2(e)(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 Payout Condition 2.2(e)(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 Payout Condition 2.2(e)(i) apply and Physical Delivery Option 3 is specified as applicable in the applicable Final Terms, no Cash Settlement Amount or Redemption Amount, as applicable, will be payable and Physical Delivery will apply.

***Description of the Payout***

*The Payout comprises:*

- *if the Final Redemption Condition is satisfied, a fixed percentage plus a final exit rate (equal to the FR Exit Rate);*
- *if the Final Redemption Condition is not satisfied and no Knock-In Event has occurred, a fixed percentage (that may differ from the above fixed percentage);*
- *if the Final Redemption Condition is not satisfied, a Knock-In Event has occurred and Option is Put or Put Spread no fixed percentage and indexation to the value of the Underlying Reference(s) below the Strike Percentage; or*
- *if the Final Redemption Condition is not satisfied, a Knock-in Event has occurred and Option is Forward, no fixed percentage and indexation to the value of the Underlying Reference(s); or*
- *if the Final Redemption Condition is not satisfied, 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.*
- *Physical Delivery may also apply.*

(ii) **Autocall One Touch Securities**

If the Securities are specified in the applicable Final Terms as being Autocall One Touch Securities:

- (A) if the Final Redemption Condition is satisfied:

Constant Percentage 1 + FR Exit Rate;

- (B) if the Final Redemption Condition is not satisfied and a Knock-out Event has occurred:

Constant Percentage 2 + Coupon Airbag Percentage 1; or

- (C) if the Final Redemption Condition is not satisfied, no Knock-out Event has occurred and no Knock-in Event has occurred:

Constant Percentage 3 + Coupon Airbag Percentage 2; or

- (D) if the Final Redemption Condition is not satisfied and if no Knock-out Event has occurred but a Knock-in Event has occurred:

Max (Constant Percentage 4 + Gearing  $\times$  Option; 0%)

where:

"**Option**" means Put, Put Spread or Forward as specified in the applicable Final Terms;

"**Forward**" means Final Redemption Value – Strike Percentage;

"**Put**" means Max (Strike Percentage – Final Redemption Value; 0); and

**"Put Spread"** means  $\text{Min} (\text{Max} (\text{Strike Percentage} - \text{Final Redemption Value}; 0); \text{Cap Percentage})$ .

***Description of the Payout***

*The Payout comprises:*

- *if the Final Redemption Condition is satisfied, a fixed percentage plus a final exit rate (equal to the FR Exit Rate);*
- *if the Final Redemption Condition is not satisfied and a Knock-Out Event has occurred, a fixed percentage (that may differ from the above fixed percentage);*
- *if the Final Redemption 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 Redemption Condition is not satisfied and no Knock-Out Event has occurred but a Knock-In Event has occurred, if Option is Put or Put Spread no fixed percentage and indexation to the value of the Underlying Reference(s) below the Strike Percentage; or if Option is Forward, no fixed percentage and indexation to the value of the Underlying Reference(s).*

(iii) **Autocall Standard Securities**

If the Securities are specified in the applicable Final Terms as Autocall Standard Securities:

- (A) If FR Barrier Value is greater than or equal to the Final Redemption Condition Level:

100% + FR Exit Rate; or

- (B) If FR Barrier Value is less than the Final Redemption Condition Level and no Knock-in Event has occurred:

100% + Coupon Airbag Percentage; or

- (C) If FR Barrier Value is less than the Final Redemption Condition Level and a Knock-in Event has occurred:

$\text{Min} (100\%, \text{Final Redemption Value})$

***Description of the Payout***

*The Payout comprises:*

- *if the FR Barrier Value on the SPS FR Barrier Valuation Date is equal to or greater than the Final Condition Level, 100 per cent. plus a final exit rate (equal to the FR Exit Rate);*
- *if the FR Barrier Value on the SPS FR Barrier Valuation Date is less than the Final Redemption Condition Level and no Knock-in Event has occurred, 100 per cent. plus a fixed percentage; or*

- *if the FR Barrier Value on the SPS FR Barrier Valuation Date is less than the Final Redemption Condition Level and a Knock-in Event has occurred, the minimum of 100 per cent. and indexation to the value of the Underlying Reference(s).*

(f) **Indexation Products**

(i) **Certi plus: Booster Securities**

If the Securities are specified in the applicable Final Terms as being Certi plus: Booster Securities:

- (A) if Cap is specified as not applicable in the applicable Final Terms:

Constant Percentage 1 + [Final Redemption Value + Additional Gearing × Max (Final Redemption Value - Strike Percentage, 0)]

- (B) if Cap is specified as applicable in the applicable Final Terms:

Constant Percentage 1 + Min [Final Redemption Value + Additional Gearing × Max (Final Redemption Value - Strike Percentage, 0), Cap Percentage]

***Description of the Payout***

*If Cap is specified as not applicable the Payout comprises:*

- *indexation to the value of the Underlying Reference(s); and*
- *additional indexation to the value of the Underlying Reference(s) above the Strike Percentage.*

*If Cap is specified as applicable the Payout provides a limited maximum upside and comprises:*

- *indexation to the value of the Underlying Reference(s); and*
- *additional indexation to the value of the Underlying Reference(s) above the Strike Percentage;*
- *subject to a cap of the Cap Percentage.*

(ii) **Certi plus: Bonus Securities**

If the Securities are specified in the applicable Final Terms as being Certi plus: Bonus Securities:

- (A) if Cap is specified as not applicable in the applicable Final Terms:

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

Constant Percentage 1 + (Down Final Redemption Value); or

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

Constant Percentage 1 + [Max (Bonus Percentage, Up Final Redemption Value)]

- (B) if Cap is specified as applicable in the applicable Final Terms:

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

Constant Percentage 1 + [Down Final Redemption Value - Max (Down Final Redemption Value - Cap Percentage, 0)]; or

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

Constant Percentage 1 + [Max (Bonus Percentage, Up Final Redemption Value) - Max (Up Final Redemption Value - Cap Percentage, 0)].

***Description of the Payout***

*If Cap is specified as not applicable the 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 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. The maximum level is equal to the Cap 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) up to a maximum level equal to the Cap Percentage.

(iii) **Certi plus: Leveraged Securities**

If the Securities are specified in the applicable Final Terms as being Certi plus: Leveraged Securities:

(A) if Cap is specified as not applicable in the applicable Final Terms:

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

Constant Percentage 1 + [Final Redemption Value + Additional Gearing × Max (Final Redemption Value - Strike Percentage, 0)]; or

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

Constant Percentage 1 + (Max(100%, 100% + (1 + Additional Gearing) × (Final Redemption Value - Strike Percentage)))

(B) if Cap is specified as applicable in the applicable Final Terms:

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

Constant Percentage 1 + Min [Cap Percentage, [Final Redemption Value + Additional Gearing × Max (Final Redemption Value - Strike Percentage, 0)]]; or

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

Constant Percentage 1 + Min [Cap Percentage, [Max(100%, 100% + (1 + Additional Gearing) × (Final Redemption Value - Strike Percentage))]]

***Description of the Payout***

*If Cap is specified as not applicable the 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; 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.*

*If Cap is specified as applicable the 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 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. The aggregate indexation is limited to a maximum level equal to the Cap Percentage.*

(iv) **Certi plus: Twin Win Securities**

If the Securities are specified in the applicable Final Terms as being Certi plus: Twin Win Securities:

(A) if Cap is specified as not applicable in the applicable Final Terms:

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

Constant Percentage 1 + Max [0, Gear Down\*Final Redemption Value]; or

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

Constant Percentage 2 + Max [Max (Gear up 1\*(Strike Percentage - Final Redemption Value), Gear up 2 \*(Final Redemption Value - Strike Percentage)), Floor Percentage]

(B) if Cap is specified as applicable in the applicable Final Terms:

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

Constant Percentage 1 +[Min (Cap Percentage,Gear Down\*Final Redemption Value)];  
or

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

Constant Percentage 2 + Max [Max (Gear up 1\*(Strike Percentage- Final Redemption Value), Min (Cap Percentage- Strike Percentage,Gear up 2\*(Final Redemption Value- Strike Percentage))), Floor Percentage].

**Description of the Payout**

*If Cap is specified as not applicable the Payout comprises:*

- *if no Knock-out Event has occurred, a minimum percentage, indexation to the value of the Underlying Reference(s) above the Strike Percentage and indexation to the value of the Underlying Reference(s) below the Strike Percentage in absolute terms; or*

- if a Knock-out Event has occurred, indexation to the value of the Underlying Reference(s).

If Cap is specified as applicable the Payout comprises:

- if no Knock-out Event has occurred, a minimum percentage, indexation to the value of the Underlying Reference(s) above the Strike Percentage and up to a maximum level equal to the Cap Percentage and indexation to the value of the Underlying Reference(s) below the Strike Percentage in absolute terms; or
- if a Knock-out Event has occurred, indexation to the value of the Underlying Reference(s) up to a maximum level equal to the Cap Percentage.

(v) **Certi plus: Super Sprinter Securities**

If the Securities are specified in the applicable Final Terms as being Certi plus: Super Sprinter Securities:

(A) if Cap is specified as not applicable in the applicable Final Terms:

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

Constant Percentage 1+Final Redemption Value+Additional Gearing  $\times$  Max (Final Redemption Value-Strike Percentage, 0); OR

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

Constant Percentage 1+Final Redemption Value.

(B) if Cap is specified as applicable in the applicable Final Terms:

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

Constant Percentage 1+ [Min (Cap Percentage, Final Redemption Value +Additional Gearing  $\times$ Max (Final Redemption Value -Strike Percentage, 0))]  
; OR

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

Constant Percentage 1 +[Min (Cap Percentage,Final Redemption Value)].

**Description of the Payout**

If Cap is specified as not applicable the Payout comprises:

- indexation to the value of the Underlying Reference(s); and
- if a Knock-in Event occurs, additional indexation to the value of the Underlying Reference(s) above the Strike Percentage.

If Cap is specified as applicable the Payout provides a limited maximum upside and comprises:

- indexation to the value of the Underlying Reference(s) up to a maximum level;
- if a Knock-in Event has occurred, additional indexation to the value of the Underlying Reference(s) above the Strike Percentage up to a maximum level; and

- *a maximum payout equal to Constant Percentage 1 plus the Cap Percentage.*

(vi) **Certi plus: Generic Securities**

If the Securities are specified in the applicable Final Terms as being Certi plus: Generic Securities:

Constant Percentage 1+ Gearing Up  $\times$  Option Up + Gearing Down  $\times$  Option Down

where:

**"Down Call"** means Max (Down Final Redemption Value – Down Strike Percentage; Down Floor Percentage);

**"Down Call Spread"** means Min (Max (Down Final Redemption Value – Down Strike Percentage; Down Floor Percentage); Down Cap Percentage);

**"Down Forward"** means Down Final Redemption Value – Down Strike Percentage;

**"Down Put"** means Max (Down Strike Percentage – Down Final Redemption Value; Down Floor Percentage);

**"Down Put Spread"** means Min (Max (Down Strike Percentage – Down Final Redemption 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 Redemption Value – Up Strike Percentage; Up Floor Percentage);

**"Up Call Spread"** means Min (Max (Up Final Redemption Value – Up Strike Percentage; Up Floor Percentage); Up Cap Percentage);

**"Up Forward"** means Up Final Redemption Value – Up Strike Percentage;

**"Up Put"** means Max (Up Strike Percentage – Up Final Redemption Value; Up Floor Percentage); and

**"Up Put Spread"** means Min (Max (Up Strike Percentage – Up Final Redemption Value; Up Floor Percentage); Up Cap Percentage).

***Description of the Payout***

*The Payout provides no guarantee of a fixed percentage and comprises:*

- *indexation to the value of the Underlying Reference(s) through the Option Up which may be subject to a maximum level; and*
- *indexation 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).*

(vii) **Certi plus: Generic Knock-in Securities**

If the Securities are specified in the applicable Final Terms as being Certi plus: Generic Knock-in Securities:

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

Constant Percentage 1 + Gearing Up  $\times$  Option Up; or

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

Constant Percentage 2 + Gearing Down  $\times$  Option Down,

where:

**"Down Call"** means Max (Down Final Redemption Value – Down Strike Percentage; Down Floor Percentage);

**"Down Call Spread"** means Min (Max (Down Final Redemption Value – Down Strike Percentage; Down Floor Percentage); Down Cap Percentage);

**"Down Forward"** means Down Final Redemption Value – Down Strike Percentage;

**"Down Put"** means Max (Down Strike Percentage – Down Final Redemption Value; Down Floor Percentage);

**"Down Put Spread"** means Min (Max (Down Strike Percentage – Down Final Redemption 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 Redemption Value – Up Strike Percentage; Up Floor Percentage);

**"Up Call Spread"** means Min (Max (Up Final Redemption Value – Up Strike Percentage; Up Floor Percentage); Up Cap Percentage);

**"Up Forward"** means Up Final Redemption Value – Up Strike Percentage;

**"Up Put"** means Max (Up Strike Percentage – Up Final Redemption Value; Up Floor Percentage); and

**"Up Put Spread"** means Min (Max (Up Strike Percentage – Up Final Redemption Value; Up Floor Percentage); Up Cap Percentage).

***Description of the Payout***

*The Payout comprises:*

- *if no Knock-in Event occurs, a fixed percentage and indexation 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 occurs, a fixed percentage and indexation 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).*

(viii) **Certi plus: Generic Knock-out Securities**

If the Securities are specified in the applicable Final Terms as being Certi plus: Generic Knock-out Securities:

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

Constant Percentage 1 + Gearing Up x Option Up; or

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

Constant Percentage 2 + Gearing Down x Option Down,

where:

**"Down Call"** means  $\text{Max} (\text{Down Final Redemption Value} - \text{Down Strike Percentage}; \text{Down Floor Percentage})$ ;

**"Down Call Spread"** means  $\text{Min} (\text{Max} (\text{Down Final Redemption Value} - \text{Down Strike Percentage}; \text{Down Floor Percentage}); \text{Down Cap Percentage})$ ;

**"Down Forward"** means  $\text{Down Final Redemption Value} - \text{Down Strike Percentage}$ ;

**"Down Put"** means  $\text{Max} (\text{Down Strike Percentage} - \text{Down Final Redemption Value}; \text{Down Floor Percentage})$ ;

**"Down Put Spread"** means  $\text{Min} (\text{Max} (\text{Down Strike Percentage} - \text{Down Final Redemption Value}; \text{Down Floor Percentage}); \text{Down Cap Percentage})$ ;

**"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  $\text{Max} (\text{Up Final Redemption Value} - \text{Up Strike Percentage}; \text{Up Floor Percentage})$ ;

**"Up Call Spread"** means  $\text{Min} (\text{Max} (\text{Up Final Redemption Value} - \text{Up Strike Percentage}; \text{Up Floor Percentage}); \text{Up Cap Percentage})$ ;

**"Up Forward"** means  $\text{Up Final Redemption Value} - \text{Up Strike Percentage}$ ;

**"Up Put"** means  $\text{Max} (\text{Up Strike Percentage} - \text{Up Final Redemption Value}; \text{Up Floor Percentage})$ ; and

"**Up Put Spread**" means Min (Max (Up Strike Percentage – Up Final Redemption Value; Up Floor Percentage); Up Cap Percentage).

**Description of the Payout**

*The Payout comprises:*

- *if no Knock-out Event occurs, a fixed percentage and indexation to the value of the Underlying Reference(s) through the Option Up which may be subject to a maximum level; or*
- *if a Knock-out Event occurs, a fixed percentage and indexation 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).*

(g) **Ratchet Securities**

If the Securities are specified in the applicable Final Terms as being Ratchet Securities:

- (i) if Local Cap is specified as not applicable in the applicable Final Terms:

$$\text{Constant Percentage } 1 + \text{Max} \left( \sum_{q \text{ in } Q(i)} \text{Max}(\text{Final Redemption Value}(q) - \text{Strike Percentage}, \text{Local Floor Percentage}), \text{Global Floor Percentage} \right)$$

- (ii) if Local Cap is specified as applicable in the applicable Final Terms:

$$\text{Constant Percentage } 1 + \text{Max} \left( \sum_{q \text{ in } Q(i)} \text{Max}(\text{Min}(\text{Final Redemption Value}(q) - \text{Strike Percentage}, \text{Local Cap Percentage}), \text{Local Floor Percentage}), \text{Global Floor Percentage} \right)$$

**Description of the Payout**

*The Payout provides an amount equal to the sum of the Final Redemption Values above the Strike Percentage subject to a floor of the Global Floor Percentage. The Final Redemption Values are calculated on each SPS Valuation Date during the SPS Valuation Period and each may be subject to a Cap and/or a floor.*

(h) **Sum Securities**

If the Securities are specified in the applicable Final Terms as being Sum Securities:

$$\text{Constant Percentage } 1 + \sum_{a=1}^A \text{PW}_a \prod_{b=1}^B ([\text{Additional Final Payout}]_{a,b}).$$

Where:

"**PW**" is the relevant Additional Final Payout Weighting;

"**A**" is the number specified as such in the applicable Final Terms; and

"**B**" is the number specified as such in the applicable Final Terms.

***Description of the Payout***

*The Payout comprises a weighted sum of two or more Payouts provided in the Conditions and specified in the applicable Final Terms.*

(i) **Option Max Securities**

If the Securities are specified in the applicable Final Terms as being Option Max Securities:

$$\text{Constant Percentage } 1 + \frac{A}{a=1} \text{Max} ([\text{Additional Final Payout}]_a)$$

where "A" is the number specified as such in the applicable Final Terms.

***Description of the Payout***

*The Payouts comprises a maximum of two or more Payouts provided in the Conditions and specified in the applicable Final Terms.*

(j) **Stellar Securities**

If the Securities are specified in the applicable Final Terms as being Stellar Securities:

$$\text{Max} \left( \text{Global Floor Percentage}, \frac{1}{K} \sum_{k=1}^K \text{Max} [\text{Local Floor Percentage}, \text{Min}(\text{Cap Percentage}, \text{Final Redemption Value}(k))] - \text{Strike Percentage} \right)$$

***Description of the Payout***

*The Payout comprises an amount equal to the sum of the Final Redemption Values above the Strike Percentage for each Underlying Reference in the basket (each such Final Redemption Value being subject to a minimum and a maximum level) subject to a minimum level of the Global Floor Percentage.*

(k) **Driver Securities**

If the Securities are specified in the applicable Final Terms as being Driver Securities:

$$\text{Max} \left( \text{Global Floor Percentage}, \frac{1}{K} \sum_{k=1}^K \text{Max} (\text{Floor Percentage}, \text{Modified Value} (k)) - \text{Strike Percentage} \right)$$

Where:

"Modified Value<sub>(k)</sub>" is:

- (i) if the Final Redemption Value<sub>(k)</sub> is one of the nfixed greatest values in the basket of Underlying References:

Driver Percentage; or

- (ii) otherwise:

Final Redemption Value<sub>(k)</sub>.

### ***Description of the Payout***

*The Payout comprises an amount calculated by reference to the average performance of a basket of Underlying References above the Strike Percentage with the Underlying Reference with the "nfixed" highest value being replaced by a fixed percentage (the Driver Percentage), subject to a minimum level of the Global Floor Percentage.*

- (l) If specified in the applicable Final Terms any Final Payout will be subject to a cap of the Maximum Final Payout and/or a floor of the Minimum Final Payout, in each case as specified in the applicable Final Terms.

## **2.3 Automatic Early Redemption Payouts**

### **(a) Automatic Early Redemption Payout**

If Automatic Early Expiration is specified as applicable in the applicable Final Terms and an Automatic Early Expiration Event occurs, if SPS Automatic Early Redemption Payout is specified in the applicable Final Terms, the Automatic Early Redemption Payout shall be:

$NA \times (\text{AER Redemption Percentage} + \text{AER Exit Rate}),$

Provided That if specified in the applicable Final Terms the SPS Automatic Early Redemption Payout will be subject to a cap of the Maximum SPS Automatic Early Redemption Payout and/or a floor of the Minimum SPS Automatic Early Redemption Payout, in each case specified in the applicable Final Terms.

### **(b) Definitions for SPS Automatic Early Redemption Payouts**

"**AER Athena up Rate**" means:

- (a) if Cap is specified as applicable in the applicable Final Terms:

$\text{Min}(\text{Max}(\text{ER Floor Percentage}_{(i)}, \text{ER Gearing}_{(i)} \times (\text{ER Value}_{(i)} - \text{ER Strike Percentage}_{(i)}) + \text{ER Spread}_{(i)}), \text{ER Cap Percentage}_{(i)}) + \text{ER Constant Percentage}_{(i)}$

- (b) if Cap is specified as not applicable in the applicable Final Terms:

$\text{Max}(\text{ER Floor Percentage}_{(i)}, \text{ER Gearing}_{(i)} \times (\text{ER Value}_{(i)} - \text{ER Strike Percentage}_{(i)}) + \text{ER Spread}_{(i)}) + \text{ER Constant Percentage}_{(i)}$

"**AER Calculation Period**" means the period from (and including) the Issue Date to (but excluding) the Automatic Early Expiration Date;

"**AER Exit Rate**" means, in respect of a SPS ER Valuation Date or SPS ER Valuation Period, any of AER Rate or AER Athena up Rate as specified in the applicable Final Terms;

"**AER Rate**" is as defined in Security Condition 24.12(b);

"**AER Redemption Percentage**" means the percentage specified as such in the applicable Final Terms;

"**AER Reference Rate**" means the floating rate specified as such in the applicable Final Terms;

"**ER Cap Percentage**" means, in respect of a SPS ER Valuation Date or SPS ER Valuation Period, the percentage specified as such in the applicable Final Terms;

"**ER Constant Percentage**" means, in respect of a SPS ER Valuation Date or SPS ER Valuation Period, the percentage specified as such in the applicable Final Terms;



**"ER Floor Percentage"** means, in respect of a SPS ER Valuation Date or SPS ER Valuation Period, the percentage specified as such in the applicable Final Terms;

**"ER Gearing"** means, in respect of a SPS ER Valuation Date or SPS ER Valuation Period, the percentage specified as such in the applicable Final Terms;

**"ER Spread"** means, in respect of a SPS ER Valuation Date or SPS ER Valuation Period, the percentage specified as such in the applicable Final Terms;

**"ER Strike Percentage"** means, in respect of a SPS ER Valuation Date or SPS ER Valuation Period, the percentage specified as such in the applicable Final Terms;

**"ER Value"** means, in respect of a SPS ER Valuation Date or SPS ER Valuation Period, the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

**"SPS ER Valuation Date"** means each Averaging Date, Valuation Date, Pricing Date and/or Settlement Price Date specified as such in the applicable Final Terms; and

**"SPS ER Valuation Period"** means each period specified as such in the applicable Final Terms.

## 2.4 SPS Entitlement Amounts

The following Entitlement Amounts (each an **"Entitlement Amount"**) will apply to the Securities if specified in the applicable Final Terms, subject as provided in Payout Condition 2.4(d) below:

### (a) Delivery of Worst-Performing Underlying

If Delivery of Worst-Performing Underlying is specified as applicable in the applicable Final Terms:

$$NA \times \text{Redemption Payout} / (\text{Worst Performing Underlying Reference Closing Price Value}_{(i)} \times FX_{(i)})$$

Where:

**"Worst Performing Underlying Reference Closing Price Value<sub>(i)</sub>"** is the Underlying Reference Closing Price Value<sub>(i)</sub> on the relevant SPS Valuation Date in respect of the Underlying Reference with the Worst Value on such date; and

**"FX<sub>(i)</sub>"** is the relevant Underlying Reference FX Level<sub>(i)</sub> on the relevant SPS 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:

$$NA \times \text{Redemption Payout} / (\text{Best Performing Underlying Reference Closing Price Value}_{(i)} \times FX_{(i)})$$

Where:

**"Best-Performing Underlying Reference Closing Price Value<sub>(i)</sub>"** is the Underlying Reference Closing Price Value<sub>(i)</sub> on the relevant SPS Valuation Date in respect of the Underlying Reference with the Best Value on such date; and

**"FX<sub>(i)</sub>"** is the relevant Underlying Reference FX Level on the relevant SPS 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:

$$NA \times \text{Redemption Payout} / (\text{Underlying Reference Closing Price Value} \times FX_{(i)})$$

Where:

"**Underlying Reference Closing Price Value**" is the Underlying Reference Closing Price Value on the relevant SPS Valuation Date; and

"**FX<sub>(i)</sub>**" is the Underlying Reference FX Level on the relevant SPS 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:

$$NA \times \text{Redemption Payout} - \sum_{k=1}^K \text{Number}_{(k,i)} * FX_{(ki)} * \text{Underlying Reference Closing Price Value}_{(ki)}$$

"**Number<sub>(k,i)</sub>**" is equal to the Entitlement Amount for the relevant Underlying Reference<sub>(k)</sub> and SPS Valuation Date<sub>(i)</sub>;

"**Underlying Reference Closing Price Value<sub>(k,i)</sub>**" is the Underlying Reference Closing Price Value<sub>(i)</sub> on the relevant SPS Valuation Date in respect of the relevant Underlying Reference<sub>(k)</sub>; and

"**FX<sub>(k,i)</sub>**" is the relevant Underlying Reference FX Level on the relevant SPS Valuation Date or if that is not a Business Day the immediately succeeding Business Day.

## 2.5 Definitions for FR Exit Rate

(a) **This section is left intentionally blank**

(b) **Definitions for FR Exit Rate**

"**FR Athena up Rate**" means:

(a) if Cap is specified as applicable in the applicable Final Terms:

$$\text{Min}(\text{Max}(\text{FR Floor Percentage}, \text{FR Gearing} \times (\text{FR Value} - \text{FR Strike Percentage}) + \text{FR Spread}), \text{FR Cap Percentage}) + \text{FR Constant Percentage}$$

(b) if Cap is specified as not applicable in the applicable Final Terms:

$$\text{Max}(\text{FR Floor Percentage}, \text{FR Gearing} \times (\text{FR Value} - \text{FR Strike Percentage}) + \text{FR Spread}) + \text{FR Constant Percentage}$$

"**FR Calculation Period**" means the period from (and including) the Issue Date to (but excluding) the Final Valuation Date;

"**FR Cap Percentage**" means the percentage specified as such in the applicable Final Terms;

"**FR Constant Percentage**" means the percentage specified as such in the applicable Final Terms;

"**FR Exit Rate**" means any of FR Rate or FR Athena up Rate as specified in the applicable Final Terms;

"**FR Floor Percentage**" means the percentage specified as such in the applicable Final Terms;

**"FR Gearing"** means the percentage specified as such in the applicable Final Terms;

**"FR 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 FR Rate is to be determined by reference to a Screen Rate, the FR Rate shall be calculated pursuant to Security Condition 24.12(b), as applicable, save that references therein to "AER" shall be deemed to be references to "FR";

**"FR Redemption Percentage"** means the percentage specified as such in the applicable Final Terms;

**"FR Reference Rate"** means the floating rate specified as such in the applicable Final Terms;

**"FR Spread"** means the percentage specified as such in the applicable Final Terms;

**"FR Strike Percentage"** means the percentage specified as such in the applicable Final Terms;

**"FR Value"** means, in respect of a SPS FR Valuation Date or SPS FR Valuation Period, the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

**"SPS FR Barrier Valuation Date"** means each Averaging Date, Valuation Date, Pricing Date and/or Settlement Price Date specified as such in the applicable Final Terms;

**"SPS FR Barrier Valuation Period"** means each period specified as such in the applicable Final Terms;

**"SPS FR Valuation Date"** means each Averaging Date, Valuation Date Pricing Date and/or Settlement Price Date specified as such in the applicable Final Terms; and

**"SPS FR Valuation Period"** means each period specified as such in the applicable Final Terms.

## 2.6 Simple Value and Performance Definitions for SPS 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 SPS Valuation Date:

- (a) if the relevant Underlying Reference is an Index or Custom Index, the Closing Level;
- (b) if the relevant Underlying Reference is a Share, the Closing Price or the Italian Securities Reference Price, as specified in the applicable Final Terms;
- (c) if the relevant Underlying Reference is an ETI, the Closing Price;
- (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 Fund Index, the Settlement Price;
- (g) if the relevant Underlying Reference is a Currency or Future, the Settlement Price;

- (h) if the relevant Underlying Reference is an Underlying Interest Rate, the Underlying Reference Rate;
- (i) if the relevant Underlying Reference is an Inflation Index, the Relevant Level; or
- (j) if the relevant Underlying Reference is a Debt Instrument, the Settlement Price,

in each case in respect of such day;

**"Underlying Reference FX Hedged Value"** means, in respect of an Underlying Reference and a day, the rate determined by the Calculation Agent in accordance with the following formula:

$$\text{Underlying Reference FX Hedged Value}_t = \text{Underlying Reference FX Hedged Value}_{t-1} \times \left[ \left( 1 + \frac{\text{Index}_t \times \text{FX}_t}{\text{Index}_{t-1} \times \text{FX}_{t-1}} - \frac{\text{FX}_t}{\text{FX}_{t-1}} \right) \right]$$

Provided That the Underlying Reference FX Hedged Value on the Strike Date is the rate specified in the applicable Final Terms as the Initial Underlying Reference FX Hedged Value.

Where:

**"FX<sub>t</sub>"** means, in respect of 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 on such day or if such day is not a Scheduled Custom Index Business Day, the immediately succeeding Scheduled Custom Index Business Day or, if such rate of exchange is not available from such sources at such time, the rate of exchange determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, provided that FX<sub>t</sub> on the Strike Date is the rate specified in the applicable Final Terms as FX Initial.

**"FX<sub>t-1</sub>"** means, in respect of a day, FX<sub>t</sub> on the Scheduled Custom Index Business Day immediately preceding such day.

**"Index<sub>t</sub>"** means, in respect of a day, the level of the relevant Custom Index published by the Index Sponsor in respect of such day or if such day is not a Scheduled Custom Index Business Day, the immediately succeeding Scheduled Custom Index Business Day as determined by the Calculation Agent, provided that if the level of the Custom Index is not calculated and announced by the Index Sponsor on such day, the Calculation Agent shall determine the level of such Custom Index in good faith and in a commercially reasonable manner, provided that Index<sub>t</sub> on the Strike Date is the level specified in the applicable Final Terms as Index Initial Value.

**"Index<sub>t-1</sub>"** means, in respect of a day, Index<sub>t</sub> on the Scheduled Custom Index Business Day immediately preceding such day.

**"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 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
- (iv) 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
- (v) 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
- (vi) 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
- (vii) 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
- (viii) 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
- (ix) 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**

**"Performance"** means, in respect of an Underlying Reference and a SPS Valuation Date, (a) the Underlying Reference Value for such Underlying Reference in respect of such day minus (b) 100 per cent.;

**"Restrike Performance"** means, in respect of an Underlying Reference and a SPS 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 immediately preceding SPS Valuation Date (b) less 100 per cent.;

**"Underlying Reference EndDay Closing Price Value"** means, in respect of an Underlying Reference and a SPS Valuation Date, the Underlying Reference Closing Price Value for such Underlying Reference on the date (the **"SPS EndDay Valuation Date"**) falling nEnd days after such SPS 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 SPS Valuation Date, (a) (i) the Underlying Reference Intraday Price Value for such Underlying Reference in respect of such SPS 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 Restrike Value"** means, in respect of an Underlying Reference and a SPS 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 immediately preceding SPS Valuation Date;

**"Underlying Reference StartDay Closing Price Value"** means, in respect of an Underlying Reference and a SPS Valuation Date, the Underlying Reference Closing Price Value for such Underlying Reference on the date (the **"SPS StartDay Valuation Date"**) falling nStart days prior to such SPS Valuation Date;

**"Underlying Reference TOM Restrike Value"** means, in respect of an Underlying Reference and a SPS 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 SPS Valuation Date, the product of all Underlying Reference TOM Restrike Values for all SPS Valuation Dates prior to and including such SPS Valuation Date in respect of an Underlying Reference; and

**"Underlying Reference Value"** means, in respect of an Underlying Reference and a SPS Valuation Date, (a) (i) the Underlying Reference Closing Price Value for such Underlying Reference in respect of such SPS 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, or, 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 SPS 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 SPS Valuation Date and (b) if FX Conversion is specified as applicable in the applicable Final Terms, multiplied by FX Value.

(c) **Multi Underlying Reference Value Definitions**

**"Basket Value"** means, in respect of a SPS Valuation 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 SPS Valuation Date multiplied by (b) the relevant Underlying Reference Weighting;

**"Best Intraday Value"** means, in respect of a SPS Valuation Date, the highest Underlying Reference Intraday Value for any Underlying Reference in the Basket in respect of such SPS Valuation Date;

**"Best Value"** means, in respect of a SPS Valuation Date, the highest Underlying Reference Value for any Underlying Reference in the Basket in respect of such SPS Valuation Date;

**"Rainbow Value"** means, in respect of a SPS 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 SPS Valuation Date multiplied by (b) the relevant Underlying Reference Weighting;

**"Ranked Value"** means, in respect of a SPS Valuation Date, the Underlying Reference Value in respect of the Underlying Reference with the Ranking in respect of such SPS Valuation Date set out in the applicable Final Terms;

**"Ranking"** means, in respect of an SPS 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 SPS Valuation Date;

**"Worst Intraday Value"** means, in respect of a SPS Valuation Date, the lowest Underlying Reference Intraday Value for any Underlying Reference in respect of such SPS Valuation Date; and

**"Worst Value"** means, in respect of a SPS Valuation Date, the lowest Underlying Reference Value for any Underlying Reference in the Basket in respect of such SPS Valuation Date.

## 2.7 **Greatest Period Values for SPS Payouts and Entitlement Amounts**

### (a) **Mono Underlying Reference Value Definitions**

**"Greatest Underlying Reference Intraday Value"** means, in respect of an Underlying Reference and a SPS Valuation Period, the highest Underlying Reference Intraday Value for such Underlying Reference for all the SPS Valuation Dates in such SPS Valuation Period; and

**"Greatest Underlying Reference Value"** means, in respect of an Underlying Reference and a SPS Valuation Period, the highest Underlying Reference Value for such Underlying Reference for all the SPS Valuation Dates in such SPS Valuation Period.

### (b) **Multi Underlying Reference Value Definitions**

**"Greatest Basket Value"** means, in respect of a SPS Valuation Period, the highest Basket Value for all the SPS Valuation Dates in such SPS Valuation Period;

**"Greatest Best Intraday Value"** means, in respect of a SPS Valuation Period, the highest Best Intraday Value for all the SPS Valuation Dates in such SPS Valuation Period;

**"Greatest Best Value"** means, in respect of a SPS Valuation Period, the highest Best Value for all the SPS Valuation Dates in such SPS Valuation Period;

**"Greatest Rainbow Value"** means, in respect of a SPS Valuation Period, the highest for all SPS Valuation Dates in such SPS Valuation Period of the relevant Rainbow Values;



**"Greatest Underlying Reference Value (Basket)"** means, in respect of an Underlying Reference in the Basket and a SPS Valuation Period, the highest Underlying Reference Value for such Underlying Reference for all the SPS Valuation Dates in such SPS Valuation Period;

**"Greatest Worst Value"** means, in respect of a SPS Valuation Period, the highest Worst Value for all the SPS Valuation Dates in such SPS Valuation Period; and

**"Worst Greatest Value"** means, in respect of a SPS Valuation Period, the lowest Greatest Underlying Reference Value (Basket) for any Underlying Reference in the Basket in respect of such SPS Valuation Period.

## 2.8 **Lowest Period Values for SPS Payouts and Entitlement Amounts**

### (a) **Mono Underlying Reference Value Definitions**

**"Lowest Underlying Reference Intraday Value"** means, in respect of an Underlying Reference and a SPS Valuation Period, the lowest Underlying Reference Intraday Value for such Underlying Reference for all the SPS Valuation Dates in such SPS Valuation Period; and

**"Lowest Underlying Reference Value"** means, in respect of an Underlying Reference and a SPS Valuation Period, the lowest Underlying Reference Value for such Underlying Reference for all the SPS Valuation Dates in such SPS Valuation Period.

### (b) **Multi Underlying Reference Value Definitions**

**"Lowest Basket Value"** means, in respect of a SPS Valuation Period, the lowest Basket Value for all the SPS Valuation Dates in such SPS Valuation Period;

**"Lowest Best Value"** means, in respect of a SPS Valuation Period, the lowest Best Value for all the SPS Valuation Dates in such SPS Valuation Period;

**"Lowest Rainbow Value"** means, in respect of a SPS Valuation Period, the lowest for all SPS Valuation Dates in such SPS Valuation Period of the relevant Rainbow Values;

**"Lowest Worst Intraday Value"** means, in respect of a SPS Valuation Period, the lowest Worst Intraday Value for all the SPS Valuation Dates in such SPS Valuation Period; and

**"Lowest Worst Value"** means, in respect of a SPS Valuation Period, the lowest Worst Value for all the SPS Valuation Dates in such SPS Valuation Period.

## 2.9 **Average Values for SPS Payouts and Entitlement Amounts**

### (a) **Mono Underlying Reference Value Definitions**

**"Average Underlying Reference TOM Value"** means, in respect of an Underlying Reference and a SPS Valuation Period, the arithmetic average of the Underlying Reference TOM Values for such Underlying Reference for all the SPS Valuation Dates in such SPS Valuation Period; and

**"Average Underlying Reference Value"** means, in respect of an Underlying Reference and a SPS Valuation Period, the arithmetic average of the Underlying Reference Value for such Underlying Reference for all the SPS Valuation Dates in such SPS Valuation Period;

### (b) **Multi Underlying Reference Value Definitions**

**"Average Basket Value"** means, in respect of a SPS Valuation Period, the arithmetic average of the Basket Values for all the SPS Valuation Dates in such SPS Valuation Period;



**"Average Best Value"** means, in respect of a SPS Valuation Period, the arithmetic average of the Best Values for all the SPS Valuation Dates in such SPS Valuation Period;

**"Average Rainbow Value"** means, in respect of a SPS Valuation Period, the arithmetic average for all SPS Valuation Dates in such SPS Valuation Period of the relevant Rainbow Values; and

**"Average Worst Value"** means, in respect of a SPS Valuation Period, the arithmetic average of the Worst Values for all the SPS Valuation Dates in such SPS Valuation Period.

## 2.10 **Weighted Average Values for SPS Payouts and Entitlement Amounts**

### (a) **Mono Underlying Reference Value Definitions**

**"Weighted Average Underlying Reference Value"** means, in respect of an Underlying Reference and a SPS Valuation Period, the sum of the values calculated for all the SPS Valuation Dates in such SPS Valuation Period as (a) the Underlying Reference Value for such Underlying Reference for such SPS Valuation Date (b) multiplied by the relevant SPS Date Weighting.

### (b) **Multi Underlying Reference Value Definitions**

**"Weighted Average Basket Value"** means, in respect of a SPS Valuation Period, the sum of the values calculated for all the SPS Valuation Dates in such SPS Valuation Period as (a) the Basket Value for such SPS Valuation Date (b) multiplied by the relevant SPS Date Weighting;

**"Weighted Average Best Value"** means, in respect of a SPS Valuation Period, the sum of the values calculated for all the SPS Valuation Dates in such SPS Valuation Period as (a) the Best Value for such SPS Valuation Date (b) multiplied by the relevant SPS Date Weighting;

**"Weighted Average Rainbow Value"** means, in respect of a SPS Valuation Period, the sum of the values calculated for all SPS Valuation Dates in such SPS Valuation Period as (a) the relevant Rainbow Values (b) multiplied by the relevant SPS Date Weighting; and

**"Weighted Average Worst Value"** means, in respect of a SPS Valuation Period, the sum of the values calculated for all the SPS Valuation Dates in such SPS Valuation Period as (a) the Worst Value for such SPS Valuation Date (b) multiplied by the relevant SPS Date Weighting.

## 2.11 **Minimum/Maximum Values**

Any value specified in the applicable Final Terms and used in the calculation of any SPS 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.

## 2.12 **General Definitions for SPS Final Payouts and Entitlement Amounts**

**"Additional Final Payout"** means each Final Payout specified as such in the applicable Final Terms for the relevant Sum Securities or Option Max 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 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 Percentage Strike Price"** means the percentage specified as such in the applicable Final Terms;

**"Bonus Coupon"** means the percentage specified as such in the applicable Final Terms;

**"Bonus Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Cap 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;

**"Coupon Airbag Percentage"** means the percentage specified as such in the applicable Final Terms;

**"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;

**"Down Cap Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Down Final Redemption Value"** means the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 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;

**"EDS Barrier Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Final Redemption Condition"** means that:

- (a) the FR Barrier Value for the relevant SPS FR Barrier Valuation Date or SPS FR Barrier 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 Final Redemption Condition Level (the **"Final Redemption Condition 1"**); and/or (as specified in the applicable Final Terms)
- (b) the FR Barrier Value 2 for the relevant SPS FR Barrier Valuation Date or SPS FR Barrier 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 Final Redemption Condition Level 2 (the **"Final Redemption Condition 2"**);

**"Final Redemption Value"** means the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

**"Floor Percentage"** means the percentage specified as such in the applicable Final Terms;

**"FR Barrier Value"** means, in respect of a SPS FR Barrier Valuation Date or SPS FR Barrier Valuation Period, the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

"**FR Barrier Value 2**" means, in respect of a SPS FR Barrier Valuation Date or SPS FR Barrier Valuation Period, the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

"**Gear Down**" means the percentage specified as such in the applicable Final Terms;

"**Gear Up 1**" means the percentage specified as such in the applicable Final Terms;

"**Gear Up 2**" means the percentage specified as such in the applicable Final Terms;

"**Gearing**" means the percentage 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 Floor Percentage**" means the percentage specified as such in the applicable Final Terms;

"**i**" means the relevant SPS Valuation Date or SPS Valuation Period;

"**j**" means the relevant Strike Date;

"**k**" means the relevant Underlying Reference;

"**K**" means the total number of Underlying References in the Basket;

"**Local Cap Percentage**" 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;

"**Loss Percentage**" means the percentage specified as such in the applicable Final Terms;

"**m**" means the relevant SPS Valuation Date or SPS Valuation Period;

"**M**" means a series of SPS Valuation Dates or SPS Valuation Periods;

"**Min Coupon**" means the percentage specified as such in the applicable Final Terms;

"**NA**" means the Reference Value specified in the applicable Final Terms;

"**nEnd days**" has the meaning given it in the applicable Final Terms;

"**nStart days**" has the meaning given it 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;

**"q"** means the relevant Observation Date or SPS Valuation Date;

**"Q"** is a series of SPS Valuation Dates in SPS Valuation Period<sub>(i)</sub> or Calculation Period<sub>(i)</sub>;

**"Redemption Payout"** means the Final Payout in specified in the applicable Final Terms;

**"SPS Date Weighting"** means, in respect of an SPS Valuation Date, the number, amount or percentage specified as such for such date in the applicable Final Terms;

**"SPS Redemption 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;

**"SPS Redemption Valuation Period"** means each period specified as such in the applicable Final Terms;

**"SPS Valuation Date"** means each SPS Redemption Valuation Date, SPS ER Valuation Date, SPS FR Valuation Date, SPS FR Barrier Valuation Date, Knock-in Determination Day, Knock-out Determination Day, Automatic Early Expiration Valuation Date, SPS EndDay Valuation Date, SPS StartDay Valuation Date, SPS Call Valuation Date, SPS Put Valuation Date, SPS ACS Valuation Date, SPS APS Valuation Date, Strike Day or Strike Date specified as such in the applicable Final Terms;

**"SPS Valuation Period"** means each SPS ER Valuation Period, SPS FR Barrier Valuation Period, SPS Call Valuation Period, SPS Put Valuation Period, Automatic Early Expiration Valuation Period, SPS FR Valuation Period, SPS Redemption Valuation Period, Knock-in Determination Period, Knock-out Determination Period, SPS ACS Valuation Period, or SPS APS Valuation Period, specified in the applicable Final Terms;

**"Strike Percentage"** means the percentage specified as such in the applicable Final Terms;

**"T"** means the relevant Observation Date or SPS Valuation Date;

**"Total M"** means the number specified as such in the applicable Final Terms;

**"Underlying Reference"** means, for the purposes of the SPS Payouts and Entitlement Amounts, each Index, Share, ETI, Debt Instrument, Commodity, Commodity Index, Fund, Fund Index, Underlying Interest Rate, Inflation Index or Future or other basis of reference to which the relevant Securities relate;

**"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.

**"Up Cap Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Up Final Redemption Value"** means the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms; and

**"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;

### 3. FIXED INCOME PAYOUTS

3.1 This section has intentionally been left blank

3.2 This section has intentionally been left blank

#### 3.3 Fixed Income Final Payouts

The following final payouts which when multiplied by the applicable NA (each a "**Final Payout**") will apply to the Securities if specified in the applicable Final Terms.

##### (a) FI FX Vanilla Securities

If the Securities are specified in the applicable Final Terms as being 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, FI Constant Percentage 1; or
  - (B) if a Knock-in Event has occurred:  
  
FI Constant Percentage 1 + (Gearing x Option);
- (ii) if Knock-in Event is not specified as applicable in the applicable Final Terms:  
  
FI Constant Percentage 1 + (Gearing x 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:  
  
FI Constant Percentage 1 + (Gearing x Option);
  - (B) if (a) a Knock-in Event and a Knock-out Event have occurred or (b) a Knock-out Event has occurred, FI Constant Percentage 1.

Where:

"**Option**" means Max (Performance Value, Floor);

##### (b) FI Digital Floor Securities

If the Securities are specified in the applicable Final Terms as being 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, 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 Redemption Valuation Date:  
  
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 Redemption Valuation Date:

FI Constant Percentage 1 + Digital Floor Percentage 2.

- (ii) if Knock-in Event is not specified as applicable in the applicable Final Terms:
  - (A) if the FI Digital Floor Condition is satisfied in respect of the relevant FI Redemption Valuation Date:

FI Constant Percentage 1 + Digital Floor Percentage 1; or
  - (B) if the FI Digital Floor Condition is not satisfied in respect of the relevant FI Redemption Valuation Date:

FI Constant Percentage 1 + 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, 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 Redemption Valuation Date:

FI Constant Percentage 1 + Digital Floor Percentage 1; or
  - (C) in all other cases:

FI Constant Percentage 1 + Digital Floor Percentage 2.

(c) **FI Digital Cap Securities**

If the Securities are specified in the applicable Final Terms as being 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, 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 Redemption Valuation Date:

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 Redemption Valuation Date:

FI Constant Percentage 1 + Digital Cap Percentage 2; or
- (ii) if Knock-in Event is not specified as applicable in the applicable Final Terms:
  - (A) if the FI Digital Cap Condition is satisfied in respect of the relevant FI Redemption Valuation Date:

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 Redemption Valuation Date:

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, 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 Redemption Valuation Date:

FI Constant Percentage 1 + Digital Cap Percentage 1; or

- (C) in all other cases:

FI Constant Percentage 1 + Digital Cap Percentage 2.

(d) **FI Digital Plus Securities**

If the Securities are specified in the applicable Final Terms as being 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 Redemption Valuation Date:

FI Constant Percentage 1 + Max (Digital Plus Percentage 1, (Gearing A x 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 Redemption Valuation Date:

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 Redemption Valuation Date:

FI Constant Percentage 1 + Min (Digital Plus Percentage 2, Max ((Gearing B x FI Digital Value), FI Digital Floor Percentage));

- (ii) if Knock-in Event is not specified as applicable in the applicable Final Terms:

- (A) if the FI Digital Plus Condition is satisfied in respect of the relevant FI Redemption Valuation Date:

FI Constant Percentage 1 + Max (Digital Plus Percentage 1, (Gearing A x FI Digital Value)); or

- (B) if the FI Digital Plus Condition is not satisfied in respect of the relevant FI Redemption Valuation Date:

FI Constant Percentage 1 + Min (Digital Plus Percentage 2, Max ((Gearing B x 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 Redemption Valuation Date:

FI Constant Percentage 1 + Max (Digital Plus Percentage 1, (Gearing A x 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 Redemption Valuation Date:

FI Constant Percentage 1 + Max (Digital Plus Percentage 2, Max ((Gearing B x FI Digital Value), FI Digital Floor Percentage)); or

- (C) in all other cases:

FI Constant Percentage 1.

(e) **FI Inflation Securities**

If the Securities are specified in the applicable Final Terms as being FI Inflation Securities:

Max [100%, Cumulative Inflation Rate]

3.4 **Fixed Income Automatic Early Redemption Payouts**

If Automatic Early Expiration is specified as applicable in the applicable Final Terms and an Automatic Early Expiration Event occurs, the Automatic Early Redemption Payout shall be:

If FI Underlying Automatic Early Redemption is specified as applicable in the applicable Final Terms,

NA

3.5 **This section is intentionally left blank**

3.6 **General definitions for Final Payouts**

"**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 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;

"**FI Constant Percentage 1**" means the percentage specified as such in the applicable Final Terms;

"**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 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 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 Redemption Valuation Date"** means each Settlement Price Date specified as such in the applicable Final Terms;

**"FI Valuation Date"** means each FI Redemption Valuation Date or an FI Interest Valuation Date specified in the applicable Final Terms;

**"Final Day Count Fraction"** means the Day Count Fraction applicable to the Final Interest Period;

**"Final Settlement Price"** means, in respect of a Subject/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 Subject/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 Subject/Base Currency for all Averaging Dates;

**"Floor"** means the percentage specified as such in the applicable Final Terms;

**"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,

$$\frac{(\text{Final Settlement Price} - \text{Initial Settlement Price})}{\text{Final Settlement Price}};$$

- (d) if Performance Value 4 is specified in the applicable Final Terms,

$$\frac{(\text{Initial Settlement Price} - \text{Final Settlement Price})}{\text{Final Settlement Price}};$$

- (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,

$$\frac{(\text{Final Settlement Price} - \text{Initial Settlement Price})}{\text{Initial Settlement Price}};$$

(h) if Performance Value 8 is specified in the applicable Final Terms,

$$\frac{(\text{Initial Settlement Price} - \text{Final Settlement Price})}{\text{Initial Settlement Price}};$$

(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 Subject/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 a Subject Currency, the number, amount or percentage specified as such for such Subject Currency in the applicable Final Terms;

**"Gearing"** means the percentage specified as such in the applicable Final Terms;

**"Gearing A"** means the percentage specified as such in the applicable Final Terms;

**"Gearing B"** means the percentage specified as such in the applicable Final Terms;

**"Inflation Index<sub>(i)</sub>"** 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<sub>(i-1)</sub>"** 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 Index<sub>(base)</sub>"** means, in respect of an Underlying Reference, the Underlying Reference Closing Value for such Underlying Reference on 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 Settlement Price"** means, in respect of a Subject 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 Subject 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 Subject 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 Subject 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 Subject Currency for all the Strike Days in the Strike Period.

"NA" means the Reference Value specified in the applicable Final Terms;

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

- (i) in the case of Securities relating to a single Subject 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 Subject Currency in the Basket as (a) the FX Performance Value for the relevant Subject 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 Subject 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 Subject Currency in the Relevant Basket in respect of such FI Valuation Date;
- (v) if Multi Basket is specified as applicable in the Final Terms:

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

Where:

"G" means, in respect of a basket of Subject Currencies, the percentage specified as such for such basket of Subject Currencies in the applicable Final Terms;

"W" means, in respect of a Subject Currency, the FX Weighting for such Subject Currency; or

- (vi) if Ranked Basket is specified as applicable in the applicable Final Terms, the sum of the values calculated for each Subject/Base Currency in the Relevant Basket as (a) the Ranked Value for the relevant Subject Currency for such FI Valuation Date multiplied by (b) the relevant FX Weighting;

"Ranked Value" means, in respect of an FI Valuation Date, the FX Performance Value in respect of the Subject/Base Currency with the FX Ranking in respect of such FI Valuation Date set out in the applicable Final Terms;

"Underlying Reference" means, for the purposes of the Fixed Income Payouts, each Inflation Index, Subject Currency, 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<sub>(i)</sub> specified as such (together the "Multiple Underlying Interest Rate")

will be calculated separately and independently but for the purposes of these Payout Conditions and the Underlying Interest Rate Security Conditions shall be deemed to together constitute an Underlying Reference;

"**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:

$$\sum_{i=1}^n \text{MultipleUnderlying InterestRateGearing}_{(i)} \times \text{MultipleUnderlying ReferenceRate}_{(i)}$$

or

- (c) if the relevant Underlying Reference is a Subject Currency, or the Settlement Price as specified in the applicable Final Terms,

in each case in respect of such day.

#### 4. **FORMULAE CONSTITUENTS AND COMPLETION**

The constituent parts (each a "**Formula Constituent**") of any formula (each a "**Formula**") used in the Payout 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 Payout Conditions may be a positive or negative, as specified in the applicable Final Terms.

#### 5. **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 Payout 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 Holders. Whenever the Calculation Agent is required to make any determination it may, to the extent permitted by 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 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, the official closing level of such Index on such day 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, are open for trading during their respective regular trading session(s) in respect of such Indices, notwithstanding any such Exchange or Related Exchange closing prior to their Scheduled Closing Time and (b) in respect of any Composite Indices, (i) the Index Sponsor publishes the level of such Composite Indices and (ii) each Exchange and each Related Exchange, if any, is open for trading during its regular trading session in respect of such Composite Indices, 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 and (b) in respect of a Composite Index, (i) the relevant Index Sponsor publishes the level of such Composite Index and (ii) each Exchange and each Related Exchange, if any, is open for trading during its regular trading session in respect of such Composite Index, 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, are open for trading during their regular trading session(s), notwithstanding any such relevant Exchange or

relevant Related Exchange closing prior to its Scheduled Closing Time and (b) in respect of a Composite Index (i) the relevant Index Sponsor publishes the level of such Composite Index and (ii) each Exchange and each Related Exchange, if any, is open for trading during its regular trading session in respect of such Composite Index, 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;

**"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, are scheduled to be open for trading during their respective regular trading session(s) in respect of such Indices, and (b) in respect of any Composite Indices, (i) the Index Sponsor is scheduled to publish the level of such Composite Indices and (ii) each Exchange and each Related Exchange, if any, is scheduled to be open for trading during its regular trading session in respect of such Composite Indices;

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

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

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

**"Settlement Price"** means, unless otherwise stated in the applicable Final Terms, in relation to each Security or if Units are specified in the applicable Final Terms, each Unit, as the case may be, 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 on the same basis as the Exercise Price) 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 on the same basis as the Exercise Price) 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 ETS 2300/1 Warrants, 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:
    - (1) a Trading Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded;
    - (2) an Exchange Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one-hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded; or
    - (3) an Early Closure in respect of such Component Security; and
  - (B) 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 Holders in accordance with Security Condition 10 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 Expiration 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, except as may be limited in the case of U.S. Securities:

- (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) the Issuer may cancel the Warrants by giving notice to Holders in accordance with Security Condition 10. If the Warrants are so cancelled, the Issuer will:

- (i) if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Warrant, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Security Condition 26.1; or
- (ii) if Market Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Warrant, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Security Condition 26.2; or
- (iii) if the Calculation Agent determines that such Index Adjustment Event constitutes a force majeure, and if Index Security Condition 3.2(c)(iii) is specified in the applicable Final Terms, pay to each Holder an amount in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit, held by such Holder, which amount shall be equal to the fair market value of a Warrant or Unit, as the case may be, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Warrants 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 cancellation; or
- (iv) otherwise, pay an amount to each Holder in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit being cancelled at an amount equal to the fair market value of a Warrant or a Unit, as the case may be, taking into account the Index Adjustment Event, less, except in the case of Italian Listed Warrants or 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, payment being made in such manner as shall be notified to the Holders in accordance with Security Condition 10.

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 relevant Security Agent or the Registrar, as the case may be, of any determination made by it pursuant to paragraph 3.2 above and the action proposed to be taken in relation thereto and such Security Agent or the Registrar, as the case may be, shall make available for inspection by Holders copies of any such determinations.

## 4. Correction of Index

With the exception of any corrections published after the day which is three 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. Custom Index**

Index Security Conditions 6 to 8 apply if "Custom Index" is specified as applicable in the applicable Final Terms. In the event of any inconsistency between the provisions of Index Security Conditions 6 to 8 and the other Index Security Conditions, the provisions of Index Security Conditions 6 to 8 shall prevail.

## **6. Adjustments to a Custom Index and Custom Index Disruption**

### **6.1 Successor Index Sponsor Calculates and Reports an Index**

If a relevant Custom Index is (a) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor (the "**Successor Custom Index Sponsor**") acceptable to the Calculation Agent, or (b) replaced by a successor custom index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Custom Index, then in each case that custom index (the "**Successor Custom Index**") will be deemed to be the Custom Index.

### **6.2 Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption**

If (a) on or prior to the Strike Date, the last Valuation Date, the last Observation Date or the last Averaging Date, the relevant Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating a relevant Custom Index or in any other way materially modifies that Custom Index (other than a modification prescribed in that formula or method to maintain that Custom Index in the event of changes in constituent components and capitalisation, contracts or commodities and other routine events) (a "**Custom Index Modification**"), or permanently cancels a relevant Custom Index and no Successor Custom Index exists (a "**Custom Index Cancellation**"), or (b) on the Strike Date, a Valuation Date, an Observation Date or an Averaging Date, the Index Sponsor or (if applicable) the Successor Custom Index Sponsor fails to calculate and announce a relevant Custom Index or it is not a Custom Index Business Day (a "**Custom Index Disruption Event**" and, together with a Custom Index Modification and a Custom Index Cancellation, each a "**Custom Index Adjustment Event**"), then:

- (a) in the case of Custom Index Securities relating to a single Custom Index where Scheduled Custom Index Business Days (Single Index Basis) is specified as applicable in the applicable Final Terms, then:
  - (i) if the Custom Index Adjustment Event is a Custom Index Disruption Event which occurs or is occurring on the last Valuation Date, last Averaging Date or last Observation Date, then such Valuation Date, Averaging Date or Observation Date, as the case may be, shall be the first succeeding Scheduled Custom Index Business Day on which a Custom Index Disruption Event is not occurring, unless there is a Custom Index Disruption Event on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Valuation Date, Averaging Date or Observation Date, as the case may be, in which case the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Valuation Date, Averaging Date or Observation Date, as the case may be, notwithstanding the Custom Index Disruption Event and the Calculation Agent shall determine the relevant level, value or price by using commercially reasonable efforts to determine the level of the Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the Custom Index last in

effect prior to the occurrence of the Custom Index Disruption Event and using its good faith estimate of the value for the components of the Custom Index;

- (ii) following a Custom Index Modification or Custom Index Cancellation at any time or a Custom Index Disruption Event (which in the latter case occurs or is occurring on the Strike Date, an Averaging Date (other than the last Averaging Date), an Observation Date (other than the last Observation Date) or a Valuation Date (other than the last Valuation Date), the Calculation Agent shall determine if such Custom Index Adjustment Event has a material effect on the Securities and, if so:
  - (A) if the Custom Index Adjustment Event is a Custom Index Disruption Event which occurs or is occurring on the Strike Date, an Averaging Date or Observation Date, the Calculation Agent may determine that the Strike Date, relevant Averaging Date or Observation Date, as the case may be, shall be the first succeeding Scheduled Custom Index Business Day (in the case of the Strike Date) or Valid Date (in the case of an Averaging Date or Observation Date, as the case may be) unless there is a Custom Index Disruption Event on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Strike Date, Averaging Date or Observation Date, as the case may be, in which case the Calculation Agent may determine that the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Strike Date, Averaging Date or Observation Date, as the case may be (irrespective, in the case of an Averaging Date or Observation Date, of whether that last consecutive Scheduled Custom Index Business Day is already an Averaging Date or Observation Date, as the case may be) and may determine the relevant level, value or price by using commercially reasonable efforts to determine a level of the Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the Custom Index last in effect prior to the occurrence of the Custom Index Disruption Event and using its good faith estimate of the value for the components of the Custom Index; or
  - (B) the Calculation Agent may use commercially reasonable efforts to select a successor index with a substantially similar strategy as the original Custom Index and, upon selection of such index, the Calculation Agent shall promptly notify the Holders in accordance with Security Condition 10 and such index shall become the Successor Custom Index and shall be deemed to be the "Custom Index" for the purpose of the Securities and the Calculation Agent will make such adjustment, if any, to one or more of the terms of the Securities as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate; or
  - (C) the Calculation Agent may determine acting in good faith and in a commercially reasonable manner such other appropriate adjustments, if any, to be made to the terms of the Securities to account for the Custom Index Adjustment Event and determine the effective date of those adjustments; or
  - (D) the Calculation Agent may require the Issuer to cancel the Warrants in which case it will so notify the Issuer and the Issuer will give notice to Holders in accordance with Security Condition 10. If the Warrants are so cancelled the Issuer will:



- I. if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Warrant, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Security Condition 26.1; or
  - II. if Market Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Warrant, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined in accordance with Security Condition 26.1; or
  - III. if the Calculation Agent determines that such Custom Index Adjustment Event constitutes a force majeure, and if Index Security Condition 6.2(a)(ii)(D)III is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Security Condition 10, cancel all, but not some only of the Warrants and pay to each Holder an amount in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit, held by such Holder, which amount shall be equal to the fair market value of a Warrant or Unit, as the case may be, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to cancel the Warrants 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 cancellation; or
  - IV. otherwise, pay an amount to each Holder in respect of each Warrant or if Units are specified in the applicable Final Terms, each Unit being cancelled at an amount equal to the fair market value of a Warrant or Unit, as the case may be, taking into account the Custom 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 Holders in accordance with Security Condition 10; or
- (E) in the case of a Custom Index Modification which occurs on the last Valuation Date, last Averaging Date or last Observation Date only, the Calculation Agent may elect to calculate the level of the Custom Index, using in lieu of the published level for the Custom Index as of the Valuation Date, Averaging Date or Observation Date, as the case may be, the level of the Custom Index as of that date determined by the Calculation Agent in accordance with the formula for and method of calculating the Custom Index last in effect prior to the Custom Index Modification but using only those components that comprised the Custom Index prior to the Custom Index Modification.
- (b) in the case of Custom Index Securities relating to a Basket of Custom Indices where Scheduled Custom Index Business Days (All Indices Basis) is specified as applicable in the applicable Final Terms, then:

- (i) if the Custom Index Adjustment Event is a Custom Index Disruption Event which occurs or is occurring in respect of any Custom Index (each an "**Affected Custom Index**") on the last Valuation Date, last Averaging Date or last Observation Date, then such Valuation Date, Averaging Date or Observation Date, as the case may be, for all Custom Indices in the Basket of Custom Indices shall be the first succeeding Scheduled Custom Index Business Day on which a Custom Index Disruption Event is not occurring in respect of any of the Custom Indices in the Basket of Custom Indices, unless there is a Custom Index Disruption Event in respect of any one of the Custom Indices in the Basket of Custom Indices on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Valuation Date, Averaging Date or Observation Date, as the case may be, in which case the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Valuation Date, Averaging Date or Observation Date, as the case may be, for all Custom Indices in the Basket of Custom Indices, notwithstanding the Custom Index Disruption Event in respect of an Affected Custom Index and the Calculation Agent shall determine the relevant level, value or price by using (X) in respect of any Custom Index which is not an Affected Custom Index, the method provided for in these Index Security Conditions and (Y) in respect of any Custom Index in the Basket of Custom Indices which is an Affected Custom Index, commercially reasonable efforts to determine the level of the relevant Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the relevant Custom Index last in effect prior to the occurrence of the Custom Index Disruption Event and using its good faith estimate of the value for the components of the Custom Index;
- (ii) following a Custom Index Modification or Custom Index Cancellation at any time or a Custom Index Disruption Event (which in the latter case occurs or is occurring on the Strike Date, an Averaging Date (other than the last Averaging Date) or an Observation Date (other than the last Observation Date) or a Valuation Date (other than the last Valuation Date) the Calculation Agent shall determine if such Custom Index Adjustment Event has a material effect on the Securities and, if so:
  - (A) if the Custom Index Adjustment Event is a Custom Index Disruption Event which occurs or is occurring on the Strike Date, an Averaging Date or Observation Date, the Calculation Agent may determine that the Strike Date, relevant Averaging Date or Observation Date, as the case may be, for all Custom Indices in the Basket of Custom Indices shall be the first succeeding Scheduled Custom Index Business Day (in the case of the Strike Date) or Valid Date (in the case of an Averaging Date or Observation Date, as the case may be) on which a Custom Index Disruption Event is not occurring in respect of any Custom Index (each an "**Affected Custom Index**") comprised in the Basket of Custom Indices unless there is a Custom Index Disruption Event on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Strike Date, Averaging Date or Observation Date, as the case may be, in which case the Calculation Agent may determine that the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Strike Date, Averaging Date or Observation Date, as the case may be (irrespective, in the case of an Averaging Date or Observation Date, of whether that last consecutive Scheduled Custom Index Business Day is already an Averaging Date or Observation Date, as the case may be) for all Custom Indices in the Basket of Custom Indices and may determine the relevant level, value or price by using (X) in



respect of any Custom Index in the Basket of Custom Indices which is not an Affected Custom Index, the method provided for in these Security Conditions and (Y) in respect of any Custom Index in the Basket of Custom Indices which is an Affected Custom Index, commercially reasonable efforts to determine a level of the relevant Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the relevant Custom Index last in effect prior to the occurrence of the Custom Index Disruption Event and using its good faith estimate of the value for the components of the Custom Index; or

- (B) the Calculation Agent may use commercially reasonable efforts to select a successor index with a substantially similar strategy as the original Custom Index and, upon selection of such index, the Calculation Agent shall promptly notify the Holders in accordance with Security Condition 10 and such index shall become the Successor Custom Index and shall be deemed to be a "Custom Index" for the purpose of the Securities and the Calculation Agent will make such adjustment, if any, to one or more of the terms of the Securities as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate; or
- (C) the Calculation Agent may determine acting in good faith and in a commercially reasonable manner such other appropriate adjustments, if any, to be made to the terms of the Securities to account for the Custom Index Adjustment Event and determine the effective date of those adjustments; or
- (D) the Calculation Agent may require the Issuer to cancel the Warrants in which case it will so notify the Issuer and the Issuer will give notice to Holders in accordance with Security Condition 10. If the Warrants are so cancelled, the Issuer will:
  - I. if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Warrant, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Security Condition 26.1; or
  - II. if Market Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Warrant, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Security Condition 26.2; or
  - III. if the Calculation Agent determines that such Custom Index Adjustment Event constitutes a force majeure, and if Index Security Condition 6.2(b)(ii)(D)III is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Security Condition 10, cancel all, but not some only of the Warrants and pay to each Holder an amount in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit, held by such Holder, which amount shall be equal to the fair market value of a Warrant or Unit, as the case may be, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to cancel the Warrants 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 cancellation; or

- IV. otherwise, pay an amount to each Holder in respect of each Warrant or if Units are specified in the applicable final Terms, each Unit being cancelled at an amount equal to the fair market value of a Warrant or Unit, as the case may be, taking into account the Custom 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 Holders in accordance with Security Condition 10; or
- (E) in the case of a Custom Index Modification which occurs in respect of a Custom Index in the Basket of Custom Indices which occurs on the last Valuation Date, last Averaging Date or last Observation Date only, the Calculation Agent may elect to calculate the level of such Custom Index, using in lieu of the published level for the Custom Index as of the Valuation Date, Averaging Date or Observation Date, as the case may be, the level of the Custom Index as of that date determined by the Calculation Agent in accordance with the formula for and method of calculating the Custom Index last in effect prior to the Custom Index Modification but using only those components that comprised the Custom Index prior to the Custom Index Modification.
- (c) in the case of Custom Index Securities relating to a Basket of Custom Indices where Scheduled Custom Index Business Days (Per Index Basis) is specified as applicable in the applicable Final Terms, then:
  - (i) if the Custom Index Adjustment Event is a Custom Index Disruption Event which occurs or is occurring on the last Valuation Date, last Averaging Date or last Observation Date, then the Valuation Date, Averaging Date or Observation Date, as the case may be, for each Custom Index not affected by the occurrence of the Custom Index Disruption Event shall be the scheduled last Valuation Date, last Averaging Date or last Observation Date, as the case may be, and the Valuation Date, Averaging Date or Observation Date, as the case may be, for each Custom Index in the Basket of Custom Indices affected by the Custom Index Disruption Event (each an "**Affected Custom Index**") shall be the first succeeding Scheduled Custom Index Business Day on which a Custom Index Disruption Event is not occurring in respect of such Affected Custom Index, unless there is a Custom Index Disruption Event on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Valuation Date, Averaging Date or Observation Date, as the case may be, in which case the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Valuation Date, Averaging Date or Observation Date, as the case may be, for the relevant Affected Custom Index and the Calculation Agent shall determine the relevant level, value or price by using commercially reasonable efforts to determine the level of the relevant Affected Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the relevant Affected Custom Index last in effect prior to the occurrence of the Custom Index Disruption Event and using its good faith estimate of the value for the components of the Affected Custom Index;

- (ii) following a Custom Index Modification or Custom Index Cancellation at any time or a Custom Index Disruption Event (which in the latter case occurs or is occurring on the Strike Date, an Averaging Date (other than the last Averaging Date) or an Observation Date (other than the last Observation Date) the Calculation Agent shall determine if such Custom Index Adjustment Event has a material effect on the Securities and, if so:
  - (A) if the Custom Index Adjustment Event is a Custom Index Disruption Event which occurs or is occurring on the Strike Date, an Averaging Date or Observation Date, the Calculation Agent may determine that the Strike Date, relevant Averaging Date or Observation Date, as the case may be, for each Custom Index in the Basket of Custom Indices not affected by the occurrence of the Custom Index Disruption Event shall be the scheduled Strike Date, Averaging Date or Observation Date, as the case may be, and the Strike Date, Averaging Date or Observation Date, as the case may be, for each Custom Index in the Basket of Custom Indices affected by the Custom Index Disruption Event (each an "**Affected Custom Index**") shall be the first succeeding Scheduled Custom Index Business Day (in the case of the Strike Date) or Valid Date (in the case of an Averaging Date or Observation Date, as the case may be) on which a Custom Index Disruption Event is not occurring in respect of such Affected Custom Index unless there is a Custom Index Disruption Event on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Strike Date, Averaging Date or Observation Date, as the case may be, in which case the Calculation Agent may determine that the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Strike Date, Averaging Date or Observation Date, as the case may be (irrespective, in the case of an Averaging Date or Observation Date, of whether that last consecutive Scheduled Custom Index Business Day is already an Averaging Date or Observation Date, as the case may be) for the relevant Affected Custom index and may determine the relevant level, value or price by using commercially reasonable efforts to determine a level of the relevant Affected Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the relevant Affected Custom Index last in effect prior to the occurrence of the Custom Index Disruption Event and using its good faith estimate of the value for the components of the Custom Index; or
  - (B) the Calculation Agent may use commercially reasonable efforts to select a successor index with a substantially similar strategy as the original Custom Index and, upon selection of such index, the Calculation Agent shall promptly notify the Holders and such index shall become the Successor Custom Index and shall be deemed to be the "Custom Index" for the purpose of the Securities and the Calculation Agent will make such adjustment, if any, to one or more of the terms of the Securities as the Calculation Agent acting in good faith and a commercially reasonable manner determines appropriate; or
  - (C) the Calculation Agent may determine acting in good faith and a commercially reasonable manner such other appropriate adjustments, if any, to be made to the terms of the Securities to account for the Custom Index Adjustment Event and determine the effective date of those adjustments; or

- (D) the Calculation Agent may require the Issuer to cancel the Warrants, in which case it will so notify the Issuer and the Issuer will give notice to Holders in accordance with Security Condition 10. If the Warrants are so cancelled, the Issuer will:
- I. if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Warrant, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Security Condition 26.1; or
  - II. if Market Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Warrant, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Security Condition 26.2; or
  - III. if the Calculation Agent determines that such Custom Index Adjustment Event constitutes a force majeure, and if Index Security Condition 6.2(c)(ii)(D)III is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Security Condition 10, cancel all, but not some only of the Warrants and pay to each Holder an amount in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit, held by such Holder, which amount shall be equal to the fair market value of a Warrant or Unit, as the case may be, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to cancel the Warrants 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 cancellation; or
  - IV. otherwise, pay an amount to each Holder in respect of each Warrant or if Units are specified in the applicable Final Terms, each Unit being cancelled at an amount equal to the fair market value of a Warrant or Unit, as the case may be, taking into account the Custom 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 a commercially reasonable manner, payment being made in such manner as shall be notified to the Holders in accordance with Security Condition 10; or
- (E) in the case of a Custom Index Modification which occurs in respect of a Custom Index in the Basket of Custom Indices on the last Valuation Date, last Averaging Date or last Observation Date only, the Calculation Agent may elect to calculate the level of such Custom Index, using in lieu of the published level for the Custom Index as of the Valuation Date, Averaging Date or Observation Date, as the case may be, the level of the Custom Index as of that date determined by the Calculation Agent in accordance with the formula for and method of calculating the Custom Index last in effect prior to the Custom Index Modification but using only those components that comprised the Custom Index prior to the Custom Index Modification.

### 6.3 Notice

The Calculation Agent shall, as soon as practicable, notify the relevant Security Agent or the Registrar, as the case may be, of any determination made by it pursuant to Index Security Condition 6.2 above and the action proposed to be taken in relation thereto and such Security Agent or the Registrar, as the case may be, shall make available for inspection by Holders copies of any such determinations.

## 7. Correction of Custom 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 calculated by reference to the level of a Custom Index, if the level of the Custom Index published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities, is subsequently corrected and the correction published by the relevant Index Sponsor within the number of days equal to the Custom Index Correction Period of the original publication, the level to be used shall be the level of the Custom Index as so corrected. Corrections published after the day which is three Business Days prior to a due date for payment under the Securities calculated by reference to the level of the Custom Index will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.

## 8. Definitions relating to Custom Indices

**"Averaging Date"** means the dates specified as such in the applicable Final Terms or, if any such day is not a Scheduled Custom Index Business Day, the immediately succeeding Scheduled Custom Index Business Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day, in which case the provisions of Index Security Condition 6.2 (Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption) shall apply;

**"Banking Day"** means any week day except for 25 December and 1 January in any year;

**"Basket of Custom Indices"** means a basket comprised of two or more Custom Indices;

**"Closing Level"** means, in respect of a Custom Index and a Custom Index Business Day, the level of such Custom Index published by the Index Sponsor in respect of such day as determined by the Calculation Agent, subject as provided in Index Security Condition 6 (Adjustments to a Custom Index and Custom Index Disruption);

**"Custom Index"** or **"Custom Indices"** mean, subject to adjustment in accordance with this Annex 2, any index or indices 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;

**"Custom Index Business Day"** means either (a) in the case of a single Index, Custom Index Business Day (Single Index Basis) or (b) in the case of a Basket of Custom Indices, Custom Index Business Day (All Indices Basis) or Custom Index 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, Custom Index Business Day (All Indices Basis) shall apply;

**"Custom Index Business Day (All Indices Basis)"** means any Scheduled Custom Index Business Day in respect of which (a) the level of the Custom Index is calculated and made available and (b) it is a Custom Index Trading Day in respect of all Indices in the Basket of Custom Indices;

**"Custom Index Business Day (Per Index Basis)"** means, in respect of an Index, any Scheduled Custom Index Business Day in respect of which (a) the level of the Custom Index is calculated and made available and (b) it is Custom Index Trading Day;

**"Custom Index Business Day (Single Index Basis)"** means any Scheduled Custom Index Business Day on which (a) the level of the Custom Index is calculated and made available and (b) it is a Custom Index Trading Day;

**"Custom Index Correction Period"** means the period specified in the applicable Final Terms or if none is so specified, ten (10) Scheduled Custom Index Business Days following the date on which the original level was calculated and made available by the Index Sponsor and being the date after which all corrections to the level of the Custom Index shall be disregarded for the purposes of any calculations to be made using the level of the Custom Index;

**"Custom Index Trading Day"** means, in respect of a Custom Index, any day with respect to which the Issuer and/or any of its Affiliates determines acting in good faith and in a commercially reasonable manner it is able to acquire, establish, re-establish, substitute, maintain, unwind or dispose of any asset it deems necessary to hedge its obligations in respect of such Custom Index under the Securities;

**"Disrupted Day"** means any Scheduled Custom Index Business Day on which a Custom Index Disruption Event has occurred or is continuing in the determination of the Calculation Agent, acting in good faith and in a commercially reasonable manner;

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

**"Intraday Level"** means, in respect of a Custom Index and any time on a Custom Index Business Day, the level of such Custom Index published by the Index Sponsor in respect of such time or such day as determined by the Calculation Agent, subject as provided in Index Security Condition 6 (Adjustments to a Custom Index and Custom Index Disruption);

**"Observation Date"** means the dates specified as such in the applicable Final Terms or, if any such day is not a Scheduled Custom Index Business Day, the immediately succeeding Scheduled Custom Index Business Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day, in which case the provisions of Index Security Condition 6.2 (Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption) above shall apply;

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

**"Scheduled Custom Index Business Day"** means either (a) in the case of a single Index, Scheduled Custom Index Business Day (Single Index Basis) or (b) in the case of a Basket of Custom Indices, Scheduled Custom Index Business Day (All Indices Basis) or Scheduled Custom Index 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, Scheduled Custom Index Business Day (All Indices Basis) shall apply;

**"Scheduled Custom Index Business Day (All Indices Basis)"** means any Banking Day (a) in respect of which the level of the Custom Index is scheduled to be calculated and made available and (b) that is a Custom Index Trading Day in respect of all Custom Indices in the Basket of Custom Indices;

**"Scheduled Custom Index Business Day (Per Index Basis)"** means in respect of an Index, any Banking Day (a) on which the level of the Custom Index is scheduled to be calculated and made available and (b) that is a Custom Index Trading Day;



**"Scheduled Custom Index Business Day (Single Index Basis)"** means any Banking Day on which (a) the level of the Custom Index is scheduled to be calculated and made available and (b) that is a Custom Index Trading Day;

**"Settlement Price"** means, unless otherwise stated in the applicable Final Terms, in relation to each Cash Settled 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:

- (a) in the case of Index Securities relating to a Basket of Custom Indices and in respect of each Index comprising the Basket of Custom Indices, an amount (which shall be deemed to be a monetary value in the Index Currency) equal to the level for each such Custom Index as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of each such Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on (a) if Averaging is not specified in the applicable Final Terms, any of the "Strike Date", "Knock-in Determination Day", "Knock-out Determination Day", "Observation Date" or the Valuation Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date and, in either case, multiplied by the relevant Weighting; and
- (b) in the case of Index Securities relating to a single Index, an amount equal to the level of the Custom Index as published by the Index Sponsor as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of the Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on (a) if Averaging is not specified in the applicable Final Terms, any of the "Strike Date", "Knock-in Determination Day", "Knock-out Determination Day", "Observation Date" or the Valuation Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date;

**"Specified Maximum Days of Disruption"** means the number of days specified in the applicable Final Terms, or if not so specified, 20 Scheduled Custom Index Business Days;

**"Strike Date"** means the date(s) specified as such in the applicable Final Terms or, if any such day is not a Scheduled Custom Index Business Day, the immediately succeeding Scheduled Custom Index Business Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day, in which case the provisions of Index Security Condition 6.2 (Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption) above shall apply;

**"Strike Price"** means, subject as referred to in "Strike Date" above:

- (a) in the case of Index Securities relating to a single Index, an amount equal to the level of the Index as published by the Index Sponsor as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of the Custom Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on the Strike Date; and
- (b) in the case of Index Securities relating to a Basket of Custom Indices and in respect of each Custom Index comprising the Basket of Custom Indices, an amount equal to the level of each such Custom Index published by the relevant Index Sponsor, in each case as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of such Custom Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on the Strike Date multiplied by the relevant Weighting.

**"Valid Date"** means a Scheduled Custom Index Business Day that is not a Disrupted Day and on which another Averaging Date or another Observation Date does not occur;

**"Valuation Date"** means, the date specified in the applicable Final Terms or, if such day is not a Scheduled Custom Index Business Day, the immediately succeeding Scheduled Custom Index Business Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day, in which case the provisions of Index Security Condition 6.2 (Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption) shall apply;

**"Valuation Time"** means, unless otherwise specified in the applicable Final Terms, the time by reference to which the Index Sponsor determines the level of the Index .

## **9. Futures Price Valuation**

9.1 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 or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, 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 same currency as the Exercise Price) 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 same currency as the Exercise Price) 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 Cash Settled Security or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, 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 same currency as the Exercise Price) 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 same currency as the Exercise Price) 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 of ETS 2300/1 Warrants) there is a Non-Commencement or Discontinuance of the 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 9.4 (*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 9.2 (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 in a commercially reasonable manner within the period (**Futures Rollover Period**) specified in the applicable Final Terms.

**"Non-Commencement or Discontinuance of the 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 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.

## 9.2 **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 9.3 (Adjustments to an Exchange-traded Contract) or 9.4 (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 the Issuer may cancel the Warrants by giving notice to Holders in accordance with Security Condition 10. If the Warrants are so cancelled, the Issuer will:

- (a) if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Warrant, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Security Condition 26.1; or
- (b) if Market Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Warrant, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Security Condition 26.2; or
- (c) if the Calculation Agent determines that such Non-Commencement or Discontinuance of the Exchange-traded Contract constitutes a force majeure, and if Index Security Condition 9.2(c) is specified in the applicable Final Terms, on giving notice to Holders in accordance with Security Condition 10, cancel all, but not some only of the Warrants and pay to each Holder an amount in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit, held by such Holder, which amount shall be equal to the fair market value of a Warrant or Unit, as the case may be, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Warrants 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 cancellation; or
- (d) otherwise, an amount to each Holder in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit being cancelled at an amount equal to the fair market value of a Warrant or a Unit, as the case may be, taking into account the Non-Commencement or Discontinuance of the Exchange-traded Contract, less, except in the case of Italian Listed Warrants or

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 a commercially reasonable manner, payment being made in such manner as shall be notified to the Holders in accordance with Security Condition 10.

### 9.3 **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.

### 9.4 **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 ETS 2300/1 Warrants, if on any Exchange Business Day a Non-Commencement or Discontinuance of the Exchange-traded Contract occurs, then the Issuer may cancel the Warrants by giving notice to Holders in accordance with Security Condition 10. If the Warrants are so cancelled the Issuer will:

- (a) if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Warrant, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Security Condition 26.1; or
- (b) if Market Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Warrant, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Security Condition 26.2; or
- (c) if the Calculation Agent determines that such Non-Commencement or Discontinuance of the Exchange-traded Contract constitutes a force majeure, and if Index Security Condition 9.2(c). is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Security Condition 10, cancel all, but not some only of the Warrants and pay to each Holder an amount in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit, held by such Holder, which amount shall be equal to the fair market value of a Warrant or Unit, as the case may be, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Warrants 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 cancellation; or
- (d) otherwise, pay an amount to each Holder in respect of each Warrant or, if Units are specified as applicable, each Unit, being cancelled at an amount equal to the fair market value of a Warrant or Unit, as the case may be, taking into account the Non-Commencement or Discontinuance of the

Exchange-traded Contract, less, except in the case of Italian Listed Securities or 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 in good faith and in a commercially reasonable manner, payment being made in such manner as shall be notified to the Holders in accordance with Security Condition 10.

#### **9.5 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, 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 4 (Extraordinary Events) (as amended where "GDR/ADR" is specified as applicable);

**"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 4 (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;

**"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 Cash Settled Security, or if Units are specified in the applicable Final Terms, each Unit, as the case may be, 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 ETS 2300/1 Warrants, 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 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 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 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 ETS 2300/1 Warrants, 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;

**"Settlement Price Date"** means the Strike Date, an Observation Date or the Valuation Date, as the case may be, or if the Securities are ETS 2300/1 Warrants, 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 Holders in accordance with Security Condition 10 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 Expiration 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 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.

Except as may be limited in the case of U.S. Securities, following the declaration by the Basket Company or Share Company, as the case may be, of the terms of any Potential Adjustment Event, the Calculation Agent will, 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 Exercise Price and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as

the Calculation Agent 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 Holders in accordance with Security Condition 10 stating the adjustment to any Relevant Asset and/or the Entitlement (where the Securities are Physical Delivery Securities) and/or the Exercise Price and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms and giving brief details of the Potential Adjustment Event and the Potential Adjustment Event Effective Date.

#### **4. Extraordinary Events**

- 4.1 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 4.2:

"**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 Event).

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

**"Merger Event"** means, in respect of any relevant Shares, any:

- (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.

#### 4.2 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) below (in the case of Securities relating to a Basket of Shares) (except as may be limited in the case of U.S. Securities) 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 Exercise Price and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for the 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, cancel the Warrants in part by giving notice to Holders in accordance with Security Condition 10. If the Securities are so cancelled in part the portion (the "**Settled Amount**") of each Security, or if Units are specified in the applicable Final Terms, each Unit, as the case may be, representing the affected Share(s) shall be cancelled and the Issuer will:
  - (i) if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder the Settled Amount in respect of each Warrant, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Security Condition 26.1; or
  - (ii) if Market Value is specified as applicable in the applicable Final Terms, pay to each Holder the Settled Amount in respect of each Warrant, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Security Condition 26.2; or
  - (iii) if the Calculation Agent determines that such Extraordinary Event constitutes a force majeure, and if Share Security Condition 4.2(b)(iii) is specified in the applicable Final Terms, pay to each Holder the Settled Amount in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit, held by such Holder, which amount shall be equal to the fair market value of a Warrant or Unit, as the case may be taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to cancel the Warrants 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 cancellation; or

- (iv) otherwise, pay to each Holder in respect of each Security or Unit, as the case may be, 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 Exercise Price and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for such cancellation in part.

For the avoidance of doubt the remaining part of each Security or Unit, as the case may be, after such cancellation and adjustment shall remain outstanding with full force and effect. Payments will be made in such manner as shall be notified to the Holders in accordance with Security Condition 10;

- (c) on giving notice to Holders in accordance with Security Condition 10, cancel all but not some only of the Warrants, or if Units are specified in the applicable Final Terms, Units, as the case may be, and:
  - (i) if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Warrant, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Security Condition 26.1; or
  - (ii) if Market Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Warrant, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Security Condition 26.2; or
  - (iii) if the Calculation Agent determines that such Extraordinary Event constitutes a force majeure, and if Share Security Condition 4.2(c)(iii) is specified in the applicable Final Terms, pay to each Holder an amount in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit, held by such Holder, which amount shall be equal to the fair market value of a Warrant or Unit, as the case may be taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to cancel the Warrants 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 cancellation; or
  - (iv) otherwise, by payment of an amount equal to the fair market value of a Warrant or Unit, as the case may be, taking into account the relevant Extraordinary Event, less, except in the case of Italian Listed Warrants or, 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, plus if already paid, the Exercise Price, 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 Holders in accordance with Security Condition 10;
- (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 Exercise Price and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Exchange. If options on the Shares are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Exercise Price and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent 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 Exercise Price and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate, provided that the Exercise Price will be determined by the Calculation Agent in accordance with the following formula:

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

where:

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

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

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

Such substitution and the relevant adjustment to the Basket 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 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 4.2, 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 Holders in accordance with Security Condition 10 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.

#### 4.3 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 cancel all but not some only of the Warrant or, if Units are specified in the applicable Final Terms, Units, at an amount equal to the fair market value of a Warrant or Unit, as the

case may be, taking into account the relevant Hedging Liquidity Event, less, except in the case of Italian Listed Securities or 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. Notice of cancellation will be given to Holders in accordance with Security Condition 10 as soon as practicable following the occurrence of the Hedging Liquidity Event and payments will be made in such manner as shall be notified to the Holders

## 5. 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 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 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 under the Securities will be disregarded by the Calculation Agent for the purposes of determining the relevant amount.

## 6. 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 Holders in accordance with Security Condition 10 of the Cash Dividend and the relevant Cash Dividend Payment Date and the Issuer, or failing which the Guarantor, if applicable, shall pay to each Holder on the Cash Dividend Payment Date an amount equal to the Cash Dividend Amount in respect of each Security held by him on the Cash Dividend Payment Date, provided that if the relevant Dividend Date has not occurred prior to the Actual Exercise 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 Holder.

For the purposes of this Share Security Condition 6 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.

## **7. GDR/ADR**

Share Security Conditions 8 to 12 (inclusive) apply where "GDR/ADR" is specified as applicable in the applicable Final Terms.

## **8. Definitions relating to GDR/ADR**

**"ADR"** means an American Depositary Receipt;

**"Conversion Event"** means any event which in the 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.

## **9. 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 holders of Securities.

## **10. 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 4.2. The Issuer shall give notice as soon as practicable to the Holders in accordance with Security Condition 10 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.

**11. 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:

"and/or a distribution in respect of the Underlying Shares of property other than cash, shares or rights relating to any Underlying Shares to the holder of the Underlying Shares".

**12. Extraordinary Events**

The following additional events shall be deemed added to the first paragraph of Share Security Condition 4.1 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;

**"Hedging Date"** has the meaning given to it 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 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;

**"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;

**"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, 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;

**"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, an amount equal to the Implied Imbedded Option Value;

**"Termination Date"** means the date determined by the Issuer and specified in the notice given to Holders in accordance with ETI Security Condition 6.2(c);

**"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.

## 2. **Market Disruption**

**"Market Disruption Event"** means, in relation to Securities relating to a single ETI Interest or an ETI Basket, in respect of an ETI Interest the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (iii) an Early Closure.

The Calculation Agent shall give notice as soon as practicable to the Holders in accordance with Security Condition 10 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.

Except as may be limited in the case of U.S. Securities, 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 Exercise Price and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent 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 Holders in accordance with Security Condition 10 stating the adjustment to any Relevant Asset and/or the Entitlement (where the Securities are Physical Delivery Securities) and/or the Exercise Price and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms and giving brief details of the Potential Adjustment Event 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 Holders in accordance with Security Condition 10 (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 Holders in accordance with Security Condition 10 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 Holder or any other person in connection with the Securities as a result of any delay in notifying Holders of the occurrence of an Extraordinary ETI 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, acting in good faith and in a commercially reasonable manner 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 Exercise Price and/or the Weighting and/or any of the other terms of these Terms and Conditions

and/or the applicable Final Terms to account for the 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 Exercise Price and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Exchange. If options on the ETI Interests are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or Exercise Price 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 Exercise Price and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent 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:

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

where:

"A" is the Settlement Price of the relevant Substitute ETI Interest on the relevant Exchange on the Substitution Date;

"B" is the Initial Price of the relevant Affected ETI Interest; and



"C" is the Settlement Price of the relevant Affected ETI Interest on the relevant Exchange on the Substitution Date.

Such substitution and the relevant adjustment to the ETI Basket will be deemed to be effective as of the date selected by the Calculation Agent (the "**Substitution Date**") 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 Holders in accordance with Security Condition 10, (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 cancelled by payment of the Termination Amount on the Termination Date. Payments will be made in such manner as shall be notified to the Holders in accordance with Security Condition 10.

(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 Holders or any other person. In making any determination as to which action to take following the occurrence of an Extraordinary ETI Event, neither the Issuer nor the Calculation Agent shall be responsible for any loss (including any liability in respect of interest), underperformance or opportunity cost

suffered or incurred by Holders 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, unless otherwise stated in the applicable Final Terms, in relation to each Cash Settled Security, or if Units are specified in the applicable Final Terms, each Unit, as the case may be, 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 Holders in accordance with Security Condition 10 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 15, 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, except as may be limited in the case of U.S. Securities the Issuer may cancel the Warrants by giving notice to Holders in accordance with Security Condition 10. If the Warrants are so cancelled, the Issuer will pay an amount to each Holder in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit being cancelled equal to the fair market value of a Warrant or a Unit, as the case may be, taking into account the Debt Instrument Redemption Event, less, except in the case of Italian Listed Warrants or 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. Payments will be made in such manner as shall be notified to the Holders in accordance with Security Condition 10.

The Calculation Agent shall, as soon as practicable, notify the relevant Security Agent or the Registrar, as the case may be, of any determination made by it pursuant to this Debt Security Condition 5 and the action proposed to be taken in relation thereto and such Security Agent or the Registrar, as the case may be, shall make available for inspection by Holders 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 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 and Payout 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 the Issuer may cancel the

Warrants by giving notice to Holders in accordance with Security Condition 10. If the Warrants are so cancelled, the Issuer will pay an amount to each Holder in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit being equal to the fair market value of a Warrant or a Unit, as the case may be, taking into account the Non-Commencement or Discontinuance of the Exchange-traded Contract, less, except in the case of Italian Listed Warrants or 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. Payments will be made in such manner as shall be notified to the Holders in accordance with Security Condition 10.

## **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) cancel the Warrants by giving notice to Holders in accordance with Security Condition 10. If the Warrants are so cancelled, the Issuer will pay an amount to each Holder in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit being cancelled equal to the fair market value of a Warrant or a Unit, as the case may be, taking into account the Non-Commencement or Discontinuance of an Exchange-traded Contract, less, except in the case of Italian Listed Warrants or 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. Payments will be made in such manner as shall be notified to the Holders in accordance with Security Condition 10;
- (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 in good faith and in a commercially reasonable manner to be appropriate to preserve the economic position of the Holders 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 relevant Security Agent or the Registrar, as the case may be, of any determination made by it pursuant to this Debt Security Condition 9 and the action proposed to be taken in relation thereto and such Security Agent or the Registrar, as the case may be, shall make available for inspection by Holders 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.

**"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 Interest 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 Interest 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 Interest 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 Interest 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 **"Interest Pricing Date"** means each date specified in the Final Terms as being the Initial Pricing Date, an Averaging Date, an Observation Date, an Automatic Early Expiration 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 Interest Pricing Date, as applicable, shall be the first succeeding Commodity Business Day that is not a Commodity Disrupted Day, unless each of the number of consecutive Commodity Business Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Pricing Date or Scheduled Interest Pricing Date, as the case may be, is a Commodity Disrupted Day. In that case, (A) the last such consecutive Commodity Business Day shall be deemed to be the Pricing Date or Interest Pricing Date, as the case may be, notwithstanding the fact that such day is a Commodity Disrupted Day, and (B) the Calculation Agent shall take action in accordance with the provisions of Commodity Security Condition 3 (Consequences 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 "Interest Pricing Date";

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

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

**"Scheduled Pricing Date"** or "Scheduled Interest 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 Interest 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 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 Holders, in accordance with Security Condition 10 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 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 Exercise Price and/or the Weighting and/or

any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent 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 Holders as soon as practicable after the Substitution Date in accordance with Security Condition 10; or

- (c) the Issuer shall cancel all but not some only of the Securities and:
- (i) if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Security Condition 26.1; or
  - (ii) if Market Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined in accordance with Security Condition 26.2; or
  - (iii) if the Calculation Agent determines that such Market Disruption Event constitutes a force majeure, and if Commodity Security Condition 3(c)(iii) is specified in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified in the applicable Final Terms, each Unit, held by such Holder, which amount shall be equal to the fair market value of a Security or Unit, as the case may be taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to cancel 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 cancellation; or
  - (iv) otherwise, pay an amount equal to the fair market value of such Security or Unit, as the case may be, less, except in the case of Italian Listed Securities or if 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 Holders in accordance with Security Condition 10.

#### 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 Interest Pricing Date or the Final Pricing Date, the relevant Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating a relevant Commodity Index or in any other way materially modifies that Commodity Index (other than a modification prescribed in that formula or method to maintain the Commodity Index in the event of changes in constituent contracts or commodities and other routine events) (a "**Commodity Index Modification**"), or permanently cancels a relevant Commodity Index and no Successor Commodity Index exists (a "**Commodity Index Cancellation**"), or (b) on any Averaging Date, Observation Date, Interest Pricing Date or other Pricing Date, the Index Sponsor or (if applicable) the Successor Index Sponsor fails to calculate and announce a relevant Commodity Index (a "**Commodity Index Disruption**" and, together with a Commodity Index Modification and a Commodity Index Cancellation, each a "**Commodity Index Adjustment Event**"), then except as may be limited in the case of U.S. Securities:

- (i) 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
- (ii) the Issuer may cancel the Securities by giving notice to Holders in accordance with Security Condition 10. If the Securities are so cancelled, the Issuer will:
  - (A) if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Security Condition 26.1; or
  - (B) if Market Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Security Condition 26.2; or
  - (C) if the Calculation Agent determines that such Commodity Index Adjustment Event constitutes a force majeure, and if Commodity Security Condition 4(b)(ii)(C) is specified in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified in the applicable Final Terms, each Unit, held by such Holder, which amount shall be equal to the fair market value of a Security or Unit, as the case may be, taking into account such event (provided that no account will be taken of costs (other than

such costs that are unavoidable to cancel 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 cancellation; or

- (D) otherwise, pay an amount to each Holder in respect of each Security or, if Units are specified as applicable, each Unit being cancelled at an amount equal to the fair market value of a Security or Unit, as the case may be, taking into account the Commodity Index Adjustment Event, less, except in the case of Italian Listed Securities or 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, payment being made in such manner as shall be notified to the Holders in accordance with Security Condition 10.

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 (Consequences 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 (Adjustments) below;

**"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 settled, 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 Cash Settled Security, or if Units are specified in the applicable Final Terms, each Unit, as the case may be, the Relevant Level;

**"Strike Date"** means the date specified as such in the applicable Final Terms;

**"Successor Inflation Index"** has the meaning given to it in Inflation Index Security Condition 3 (Successor Inflation Index) below; 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 (Delay in Publication) below.

**"Valuation Date"** means the date specified in the applicable Final Terms;

## **2. Delay in Publication**

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 (Substitute Inflation Index Level) below, 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  $\times$  (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 Holders in accordance with Security Condition 10 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 holders of the Inflation Index Securities by the Issuer in accordance with Security Condition 10.

#### **4. Adjustments**

##### **4.1 Successor Inflation Index**

If a Successor Inflation Index is determined in accordance with Inflation Index Security Condition 3 (Successor Inflation Index) above, 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. The Issuer shall give notice to the Holders of any such adjustment in accordance with Security Condition 10.

##### **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 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 Holders of any such adjustment in accordance with Security Condition 10.

##### **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 (Index Modification) below, later revisions to the level for such Reference Month will not be used in any calculations, save that in respect of the EUR-All Items-Revised Consumer Price Index, the ESP National-Revised Consumer Price Index (CPI) and the ESP-Harmonised-Revised Consumer Price Index HCPI, revisions to the Relevant Level which are published or announced up to and including the day that is two Business Days prior to any relevant Valuation Date will be valid and the revised Relevant Level for the relevant Reference Month will be deemed to be the final and conclusive Relevant Level for such Reference Month. The Issuer shall give notice to the Holders of any valid revision in accordance with Security Condition 10.
- (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 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 Holders of any such adjustment and/or amount in accordance with Security Condition 10

- (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 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 Holders of any determination in respect of (i) or (ii), together with any adjustment or amount in respect thereof, in accordance with Security Condition 10.
- (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, the Exercise Price 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 the Exercise Price 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 Holders of any such adjustment in accordance with Security Condition 10.

#### 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 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. If the Calculation Agent determines that neither (a) nor (b) above would produce a commercially reasonable result, the Issuer may cancel each Security on a date notified by the Issuer to Holders in accordance with Security Condition 10, in which event the Issuer

will pay to each Holder in respect of each such Security, or if Units are specified in the applicable Final Terms, each Unit, as the case may be, an amount equal to the fair market value of a Security or a Unit, as the case may be, as determined by the Calculation Agent as at the date of cancellation taking into account the rebasing, 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. Notice of any adjustment, cancellation of the Securities or determination pursuant to this paragraph shall be given to Holders in accordance with Security Condition 10.

#### **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, 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, the Cash Settlement Amount payable under the Securities), as the Calculation Agent deems necessary 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 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 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) cancel all but not some only of the Securities and:
  - (i) if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Security Condition 26.1; or
  - (ii) if Market Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined in accordance with Security Condition 26.2; or

- (iii) if the Calculation Agent determines that such Index Cancellation constitutes a force majeure, and if Inflation Index Security Condition 4.7(b)(iii) is specified in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified in the applicable Final Terms, each Unit, held by such Holder, which amount shall be equal to the fair market value of a Security or Unit, as the case may be taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to cancel 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 cancellation; or
- (iv) otherwise, pay to each Holder in respect of such Security, or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, held by him an amount equal to fair market value of a Security, or a Unit, as the case may be, as determined by the Calculation Agent as at the date of cancellation 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 Holders in accordance with Security Condition 10.



## 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, Subject Currency and/or Subject Currencies, splits into dual or multiple currency exchange rates;

**"Disrupted Day"** means any Scheduled Trading Day on which the Calculation Agent determines that a Disruption Event has occurred;

**"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, Subject Currency and/or Subject 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;

**"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 Subject Currency or Subject 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 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, Subject Currency and/or Subject Currencies, shall be a Disruption Event:

- (a) Price Source Disruption;
- (b) Illiquidity Disruption;
- (c) Dual Exchange Rate; or
- (d) any other event that, in the opinion of the Calculation Agent, is analogous to (a), (b) or (c).

The Calculation Agent shall give notice as soon as practicable to Holders in accordance with Security Condition 10 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 Subject 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) if any Settlement Price Date is a Disrupted Day but is not the final Valuation Date on giving notice to Holders in accordance with Security Condition 10, the Issuer shall cancel all but not some only of the Warrants, each Warrant being cancelled by payment of an amount equal to the fair market value of such Warrant, less, except in the case of Italian Listed Warrants or if 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 shall be made in such manner as shall be notified to the Holders in accordance with Security Condition 10; and/or
- (c) 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 respect of a Subject Currency and a Settlement Price Date, and subject to Currency Security Condition 3 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 Subject Currency into the Base Currency (expressed as the number of units (or part units) of the Subject Currency for which one unit of the Base Currency can be exchanged) or, if such rate is not available, the arithmetic mean (rounded, if necessary, to four decimal places (with 0.00005 being rounded upwards)) as determined by or on behalf of the Calculation Agent of the bid and offer Subject Currency/Base Currency exchange rates (expressed as aforesaid) at the Valuation Time on the relevant Settlement Price Date, 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 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 Warrants are not Rolling Futures Contract Securities, the Exchange-traded Contract and (b) if the Warrants 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 Subject 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.

**"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 "Subject Currency" in the definition of "Underlying Reference" in the Security Conditions and Payout Conditions (except Payout Condition 3.6) 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 Warrants are "Rolling Futures Contract Securities", the Warrants 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-traded 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 Warrants then the Issuer shall cancel all but not some only of the Warrants, each Warrant or, if Units are specified as applicable, each Unit, being cancelled by payment of an amount equal to the fair market value of a Warrant or Unit, as the case may be, taking into account the Non-Commencement or Discontinuance of the Exchange-traded Contract, less, except in the case of Italian Listed Warrants or if 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 Holders in accordance with Security Condition 10.

## 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) the Issuer may cancel all but not some only of the Warrants, each Warrant or, if Units are specified as applicable, each Unit, being cancelled by payment of an amount equal to the fair market value of a Warrant or Unit, as the case may be, taking into account the Non-Commencement or Discontinuance of an Exchange-traded Contract, less, except in the case of Italian Listed Warrants or if 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 Holders in accordance with Security Condition 10; or
- (b) 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 Warrants as it determines acting in good faith and in a commercially reasonable manner to be appropriate to preserve the economic position of the Holders 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 Warrants as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Warrants.

The Calculation Agent shall, as soon as practicable, notify the relevant Security Agent or the Registrar, as the case may be, of any determination made by it pursuant to this Currency Security Condition 8 and the action proposed to be taken in relation thereto and such Security Agent or the Registrar, as the case may be, shall make available for inspection by Holders 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 Warrants, 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 Warrants 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 Warrants 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, or if not so specified, with respect to (i) a Mutual Fund, EUR 50,000,000, or (ii) a Hedge Fund, EUR 50,000,000, or the equivalent in any other currency;

"**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 or the Fund Index, 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 or the Fund Index, 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 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 a Fund Business Day;

"**Delayed Payment Cut-off Date**" has the meaning given in the applicable Final Terms or, if not so specified, the date falling two calendar years after the originally designated Settlement Date 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, Hedge Fund or Private Equity Fund or, in the case of a Fund Index, each Fund Index Component comprised in such Fund Index;

"**Fund Basket**" means, where the Fund Securities are linked to the performance of Fund Shares of more than one Fund or more than one Fund Index, a basket comprising such Fund Shares or Fund Indices, as the case may be;

"**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 or a Fund Index, 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 or a Fund Index, a date (i) that is a Fund Valuation Date for all Fund Shares comprised in the Fund Basket or the Fund Index, 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 Index"** means an index comprising one or more funds (each such Fund comprising a Fund Index a **"Fund Index Component"**) and specified as a Fund Index in the applicable Final Terms;

**"Fund Index Sponsor"** means the entity that publishes or announces (directly or through an agent) the level of the Fund Index, which as of the Issue Date is the index sponsor specified in respect of a Fund Index in the applicable Final Terms;

**"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 (i) 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 or (ii) in the case of a Fund Index, the shares (or other ownership interest) in a Fund Index Component comprised in such Fund Index;

**"Fund Valuation Date"** means any date as of which, in accordance with the Fund Documents, the Fund (or the Fund Service Provider that generally determines such value) is or but for the occurrence of an Extraordinary Fund Event would have been scheduled to determine the NAV per Fund Share;

**"Hedge Fund"** means the hedge fund(s) specified as such in the applicable Final Terms;

**"Hedge Provider"** means the party (being, *inter 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 or, if not so specified, with respect to (i) a Mutual Fund 50 per cent., or (ii) a Hedge Fund 50 per cent.;

**"NAV Trigger Period"** means the period specified in the applicable Final Terms, or if not so specified the period from and including the Initial Calculation Date to and including the Final Calculation Date;

**"Number of NAV Publication Days"** means the number of calendar days specified in the applicable Final Terms or if not so specified, with respect to (i) a Mutual Fund, 5 calendar days, or (ii) a Hedge Fund, 10 calendar days;

**"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;

**"Private Equity Fund"** means the private equity fund(s) 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 Cash Settled 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:

- (a) in the case of Fund Securities relating to a Basket of Fund Indices and in respect of each Fund Index comprising the Basket of Fund Indices, an amount (which shall be deemed to be a monetary value in the Fund Index Currency) equal to the official level for each such Fund Index published by the Fund Index Sponsor as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of each such Fund Index determined by the Calculation Agent at the Valuation Time on (a) if Averaging is not specified in the applicable Final Terms, the Strike Date, Observation Date or the Valuation Date, as the case maybe, or (b) 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 Fund Securities relating to a single Fund Index, an amount equal to the official level of the Fund Index published by the Fund Index Sponsor as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of the Fund Index determined by the Calculation Agent at the Valuation Time on (a) if Averaging is not specified in the applicable Final Terms, the Strike Date, Observation Date or the Valuation Date, as the case maybe, or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date;

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

**"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) if Highest Value is specified as applicable in the applicable Final Terms, an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, calculated and paid on such date determined, in accordance with Security Condition 26.1; or
- (ii) if Market Value is specified in the applicable Final Terms, an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, calculated and paid on such date determined, in accordance with Security Condition 26.2; or
- (iii) if the Calculation Agent determines that the relevant Fund Event, or combination of 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, or if Units are specified as applicable in the applicable Final Terms, each Unit, which amount shall be equal to the fair market value of a Security or Unit, as the case may be, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem 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 cancellation; or
- (iv) otherwise, the amount specified in the applicable Final Terms, or if not so specified, an amount equal to the Implied Embedded Option Value (if any), such amount payable on the Termination Date;

**"Termination Date"** means the date determined by the Issuer and specified in the notice given to Holders in accordance with Fund Security Condition 4.2(c);

**"Trade Date"** has the meaning given to it in the applicable Final Terms.

**"Valuation Date"** means the first Fund Business Day following the Actual Exercise Date of the relevant Warrant;

## 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) in the case of a Hedge Fund only, the audited net asset value of the Fund and/or the NAV per Fund Share is different from the audited net asset value of the Fund and/or the NAV per Fund Share communicated by the relevant Fund Service Provider in respect of the same date, (ii) the auditors of the Fund qualify any audit report, or refuse to provide an unqualified audit report, in respect of the Fund, and/or (iii) the Calculation Agent, 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, 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
- 2.32 at any time on or after the Trade Date of the first issue of the Series, the Hedge Provider directly or indirectly acquires or retains 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**");

**Dealing Events:**

- 2.33 (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:**

- 2.34 in the case of Securities linked to a Fund Basket or a Fund Index, a Basket Trigger Event occurs;
- 2.35 the Fund or any Fund Service Provider defaults under, materially modifies, or terminates any rebate agreements in place with the Issuer, the Hedge Provider or any of its Affiliates;
- 2.36 if the Fund is part of an umbrella structure with more than one sub-fund, a cross-contamination or other failure to segregate the portfolio of assets held by the Fund occurs between different series, classes and/or sub-funds;
- 2.37 any security granted by the Fund or any Fund Service Provider over any of its assets is enforced or becomes capable of being enforced or any arrangement which in the determination of the Calculation Agent is comparable to security over any such assets (including without limitation any repo or prime brokerage arrangement) becomes enforceable or capable of early termination or any derivatives, repo, securities lending or other trading or dealing arrangement relating to the assets of the Fund becomes enforceable or terminable early by reason of any event of default (howsoever described) relating to the Fund or the relevant Fund Service Provider; or
- 2.38 the long-term unsecured, unsubordinated and unguaranteed debt rating assigned to any Fund Service Provider or any parent company (howsoever described) of the Fund, by Moody's Investors Service

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 Final Terms, in which case the events described in Fund Security Conditions 2.13, 2.17, 2.28, 2.29, 2.30, 2.31, 2.32 and 2.33(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 Holders in accordance with Security Condition 10 (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 (in the case of a Fund that is not a Fund Index Component) or Fund Security Condition 4.3 (in the case of a Fund that is a Fund Index Component). 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 Holders in accordance with Security Condition 10 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 Holder or any other person in connection with the Securities as a result of any delay in notifying Holders 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 or Fund Security Condition 4.3, as the case may be.

4.2 In the case of a Fund that is not a Fund Index Component, 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, 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 the Exercise Price 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 Holders in accordance with Security Condition 10 (which such notice may be included in the Extraordinary Fund Event Notice in respect of the relevant Extraordinary Fund Event, all but not some only of the outstanding Securities shall be cancelled by payment of the Termination Amount on the date determined as specified in the definition of Termination Amount, payment being made in such manner as shall be notified to the Holders in accordance with Security Condition 10.

4.3 In the case of a Fund that is a Fund Index Component, following the occurrence of an Extraordinary Fund Event, the Issuer may take the action described below in 4.3(a), (b) or (c):

- (a) if the Extraordinary Fund Event occurs or is subsisting on a Settlement Price Date, require the Calculation Agent to determine the relevant index level and the Settlement Price for such date using the NAV per Fund Share for each Fund Index Component comprising the relevant Fund Index in accordance with (A) and (B) below in accordance with the formula for and method of calculating the index level on the date on which the Extraordinary Fund Event occurs;
  - (i) with respect to each Fund Index Component which is not affected by an Extraordinary Fund Event, the index level will be calculated using the NAV per Fund Share of such Fund Index Component on the relevant Settlement Price Date; and
  - (ii) with respect to each Fund Index Component which is affected by an Extraordinary Fund Event (each an "**Affected Fund Index Component**"), the index level will be calculated using the NAV per Fund Share of such Fund Index Component on the first Fund Business Day following the relevant Settlement Price Date on which no Extraordinary Fund Event occurs or is subsisting with respect to the Affected Fund Index Component, unless an Extraordinary Fund Event in respect of the Affected Fund Index Component is occurring for the number of consecutive Fund Business Days equal to the Maximum Days of Disruption immediately following the relevant Settlement Price Date. In that case the last such consecutive Fund Business Day shall be deemed to be the Settlement Price Date for the Affected Fund Index Component, notwithstanding the Extraordinary Fund Event and the Calculation Agent will determine the price of the Affected Fund Index Component based upon the price at which a Hypothetical Investor can sell or otherwise realise any hedge positions in respect of an Affected Fund Index Component during the period of five Fund Business Days following such Settlement Price Date;
- (b) require the Calculation Agent to use reasonable efforts to substitute the Fund Index that includes the Affected Fund Index Component (the "**Affected Fund Index**") with an alternative fund index which, in the determination of the Calculation Agent (acting in good faith and in a commercially reasonable manner) measures the same (or a substantially similar) market or economic reality as the Affected Fund Index, including, but not limited to, the method of calculation; or
- (c) on giving notice to Holders in accordance with Security Condition 10 (which such notice may be included in the Extraordinary Fund Event Notice in respect of the relevant Extraordinary Fund Event), redeem all but not some only of the outstanding Securities by payment of the Termination Amount on the date determined as set out in the definition of Termination Amount, payment being made in such manner as shall be notified to the Holders in accordance with Security Condition 10.

#### 4.4 General

In determining to take a particular action as a result of an Extraordinary Fund Event, the Issuer is under no duty to consider the interests of Holders or any other person. In making any determination as to which action to take following the occurrence of an Extraordinary Fund Event, neither the Issuer nor the Calculation Agent shall be responsible for any loss (including any liability in respect of interest), underperformance or opportunity cost suffered or incurred by Holders or any other person in connection with the Securities as a result thereof, howsoever arising including as a result of any delay in making any payment or delivery in respect of the Securities.

#### 5. **Settlement Date/Automatic Early Expiration Date/Termination Date Extension**

In the case of Cash Settled Securities, if on the date falling two Business Days prior to the originally designated Settlement Date or Automatic Early Expiration 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 Expiration Date, as the case may be, and notify the Holders thereof in accordance with Security Condition 10.

As soon as practicable following receipt by the Hedge Provider of the Redemption Proceeds the Calculation Agent shall give notice to Holders in accordance with Security Condition 10 (such notice the "**Delayed Payment Notice**") and cancel 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 Holder of the Cash Settlement Amount or the Automatic Early Expiration Payout Amount, as the case may be, 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 Holders thereof in accordance with the procedures set out in Fund Security Condition 4 above, and in accordance with Security Condition 10 and the provisions of Fund Security Condition 4.2(c) shall apply.

## **6. Fund Index Adjustment Event**

If (a) on or prior to any Settlement Price Date, the relevant Fund Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating a relevant Fund Index or in any other way materially modifies that Fund Index (other than a modification prescribed in that formula or method to maintain the Fund Index in the event of changes in the Fund Index Components and other routine events) (a "**Fund Index Modification**"), or permanently cancels a relevant Fund Index and no successor Fund Index exists (a "**Fund Index Cancellation**"), or (b) on any Settlement Price Date, the Fund Index Sponsor or (if applicable) the successor Fund Index Sponsor fails to calculate and announce a relevant Fund Index (a "**Fund Index Disruption**" and, together with a Fund Index Modification and a Fund Index Cancellation, each a "**Fund Index Adjustment Event**"), then except as may be limited in the case of U.S. Securities:

- (a) the Calculation Agent shall determine if such Fund 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 Fund Index, the level for that Fund Index as at the Valuation Time on such Settlement Price Date, as determined by the Calculation Agent in accordance with the formula for and method of calculating that Fund Index last in effect prior to the change, failure or cancellation, but using only those Fund Index Components that comprised that Fund Index immediately prior to that Fund Index Adjustment Event; or
- (b) the Calculation Agent may use commercially reasonable efforts to select a successor fund index which in its opinion, acting in good faith and in a commercially reasonable manner measures the same (or a substantially similar) market or economic reality the original Fund Index and, upon selection of such fund index, the Calculation Agent shall promptly notify the Holders in accordance with Security Condition 10 and such fund index will be deemed to be the "Fund Index" for the purpose of the Securities and the Calculation Agent will make such adjustment, if any, to one or more of the terms of the Securities as it (acting in good faith and in a commercially reasonable manner) determines appropriate; or
- (c) the Calculation Agent may determine acting in good faith and in a commercially reasonable manner such other appropriate adjustments, if any, to be made to the terms of the Securities to account for the Fund Index Adjustment Event and determine the effective date of those adjustments; or
- (d) the Issuer may cancel the Securities by giving notice to Holders in accordance with Security Condition 10. If the Securities are so cancelled, the Issuer will:



- (i) if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Security Condition 26.1; or
  - (ii) if Market Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Security Condition 26.2; or
  - (iii) if the Calculation Agent determines that such Fund Index Adjustment Event constitutes a force majeure, and if Fund Security Condition 6(d)(iii) is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Security Condition 10, cancel all but not some only of the Securities and pay to each Holder an amount in respect of each Security, or if Units are specified in the applicable Final Terms, each Unit, held by such Holder, which amount shall be equal to the fair market value of a Security or Unit, as the case may be, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem 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 cancellation; or
  - (iv) otherwise, pay an amount to each Holder in respect of each Security, or if Units are specified in the applicable Final Terms, each Unit being cancelled at an amount equal to the fair market value of a Security or a Unit, as the case may be, taking into account the Fund Index Adjustment Event, less, except in the case of Italian Listed Securities or 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, payment being made in such manner as shall be notified to the Holders in accordance with Security Condition 10.
- (e) in the case of a Fund Index Modification which occurs on the last Valuation Date, last Averaging Date or last Observation Date only, the Calculation Agent may elect to calculate the level of the Fund Index, using in lieu of the published level for the Fund Index as of the Valuation Date, Averaging Date or Observation Date, as the case may be, the level of the Fund Index as of that date determined by the Calculation Agent in accordance with the formula for and method of calculating the Fund Index last in effect prior to the Fund Index Modification but using only those Fund Index Components that comprised the Fund Index prior to the Fund Index Modification.

## 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.

#### 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;

**"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 Cash Settled 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 Holders in accordance with Security Condition 10 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) the Issuer may cancel the Warrants by giving notice to Holders in accordance with Security Condition 10. If the Warrants are so cancelled the Issuer will:
  - (i) if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Security Condition 26.1; or
  - (ii) if Market Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined in accordance with Security Condition 26.2; or

- (iii) if the Calculation Agent determines that such Futures Adjustment Event constitutes a force majeure, and if Futures Security Condition 3.1(b)(iii) is specified in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified in the applicable Final Terms, each Unit, held by such Holder, which amount shall be equal to the fair market value of a Security or Unit, as the case may be taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to cancel 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 cancellation; or
- (iv) otherwise, pay an amount to each Holder in respect of each Warrant or, if Units are specified in the applicable Final Terms, each Unit, being cancelled an amount equal to the fair market value of a Warrant or a Unit, as the case may be, 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 Holders in accordance with Security Condition 10.

### 3.2 Notice

The Calculation Agent shall, as soon as practicable, notify the relevant Security Agent of any determination made by it pursuant to paragraph 3.1 above and the action proposed to be taken in relation thereto and the Calculation Agent shall make available for inspection by Holders 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.

#### 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;
- (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

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 as at the Specified Time indicated in the applicable Final Terms (which will be 11.00 a.m., London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the 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.

In the event that the Relevant Screen Page is not available or if, in the case of (a) above, no such offered quotation appears or, in the case of (b) above, fewer than three such offered quotations appear, in each case as at the Specified Time indicated above or in the applicable Final Terms, the Calculation Agent will determine the Underlying Reference Rate as the rate it determines would have prevailed but for such non-availability or other event acting in good faith and using its reasonable judgment.

#### **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 or 3 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 or 3 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 Securities 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 Security 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 Termination Date;
- (ii) the type of Credit Securities, being Single Reference Entity Credit Securities, Nth-to-Default Credit Securities, or Basket Credit Securities;
- (iii) the Settlement Method (if not Auction Settlement) 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"); and
- (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).

##### (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 4 (*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, 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 Holders or any other person as a result of relying on any such determination.

(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) Expiration at Credit Security Scheduled Expiration Date

Each Credit Security will become void on its Credit Security Scheduled Expiration Date (as such date may be extended in accordance with the definition thereof) 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) (*Settlement following Event Determination Date*)), such Credit Security shall be deemed to have expired without further payment.

(b) Settlement following Event Determination Date

Upon the occurrence of an Event Determination Date in relation to any Reference Entity, each Credit Security will be deemed to have been automatically exercised on the Event Determination Date and will be subject to settlement:

- (i) if the applicable Settlement Method is Auction Settlement, by payment of its pro rata share of the Auction Settlement Amount on the Auction Settlement Date, unless a Fallback Settlement Event occurs, in which event the Issuer shall perform its respective payment obligations in accordance with the applicable Fallback Settlement Method. 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)(i) by Auction Settlement; and
- (ii) if the applicable Settlement Method is Cash Settlement, by payment of its *pro rata* share of the Credit Event Cash Settlement Amount on the Cash Settlement Date.

(c) Settlement at Maturity

Where "Settlement at Maturity" is specified as applicable, payment of any Auction Settlement Amounts or, as applicable, Credit Event Cash Settlement Amounts shall be deferred until the later of the Credit Security Scheduled Expiration Date and the last Auction Settlement Date or Cash Settlement Date determined in respect of any Reference Entity (and, for the avoidance of doubt, no interest shall accrue on any payment of any amount which is so deferred).

(d) Cancellation 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 Holders



in accordance with Security Condition 10 and cancel all but not some only of the Credit Securities on the Merger Event Redemption Date, and if the Credit Securities are so cancelled, the Issuer shall pay an amount to each Holder in respect of each Credit Security, which amount shall be the fair market value of the 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 in a commercially reasonable manner.

(e) Additional Credit Linked Security Disruption Events

If the Calculation Agent determines that an Additional Credit Linked Security Disruption Event has occurred, the Issuer may settle the Credit Securities by giving notice to Holders in accordance with Security Condition 10 (*Notices*). If the Credit Securities are so settled, the Issuer will pay an amount to each Holder in respect of each Credit Security equal to the fair market value of such Credit Security taking into account the Additional Credit Linked Security 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 Holders) 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 any Credit Security pursuant to Credit Security Condition 2(b) (and the timing requirements of the Cash Settlement Date, Valuation Date, Relevant Valuation Date and any other provisions pertaining to settlement) 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. 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.

For the avoidance of doubt, no interest shall accrue on any payment of any amount which is 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 accordingly.

Settlement of any Credit Security in accordance with this Credit Security Condition 2(g), shall discharge all or the relevant portion of the obligations of the Issuer in relation thereto.

Security Conditions 22 (*Exercise Rights*) and 24 (*Exercise Procedure*) shall not apply in respect of Credit Securities.



### 3. Nth-to-Default Credit Securities

Where the Credit Securities are Nth-to-Default Credit Securities, the provisions of Credit Security Condition 2 (*Settlement*) shall not apply unless and until the number of Reference Entities in respect of which an Event Determination Date has occurred is equal to N. 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 and where Credit Security Condition 2 (*Settlement*) has become applicable as set out above, the provisions of Credit Security Condition 2 (*Settlement*) shall apply in respect of every Event Determination Date until the number of Reference Entities in respect of which an Event Determination Date has occurred is equal to M.

### 4. 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 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 3 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 7(a) (Mod R) and Credit Security Condition 7(b) (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 "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:

- (i) "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;
- (ii) "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
- (iii) 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.

(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.

## **5. 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) Nth-to-Default

Where the Credit Securities are Nth-to-Default 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 5(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

Where the Credit Securities are Basket 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.

## 6. 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.

## **7. Restructuring Credit Event**

### **(a) Mod R**

If (i) "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 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 selected if it:

(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 the Relevant Valuation Date.

### **(b) Mod Mod R**

If (i) "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 Valuation Obligation is a Prior Deliverable Obligation and Asset Package Delivery applies due to a Governmental Intervention, a Valuation Obligation may only be 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 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.

### **(c) 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 7(b) (Mod Mod R), be determined on the basis of the terms of the Valuation Obligation in effect at the time of making such determination and, in the case of a Valuation Obligation that is due and payable, the final maturity date shall be deemed to be the date on which such determination is made.

### **(d) Multiple Holder Obligations**

Notwithstanding anything to the contrary in the definition of "Restructuring" and related provisions, the occurrence of, agreement to, or announcement of, any of the events described in sub-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".

## **8. 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 Holders.



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 settled in part, save to the extent of any such settlement). 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. For the avoidance of doubt, no accruals of interest 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 Hedge Transaction entered into prior to such date or terms thereof. The Calculation Agent shall notify the Issuer and the Holders 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 8(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 8(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 Holders in accordance with Security Condition 10 (*Notices*), provided that any failure or



delay in giving such notice to Holders 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 website ([www.isda.org](http://www.isda.org)) (or any successor website thereto).

(e) Effectiveness of Notices

Any notice referred to in Credit Security Condition 8(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 Holders on or prior to such day, then following notification of the determination of an Excess Amount to the Issuer and Holders in accordance with Security Condition 10 (*Notices*), the Issuer may deduct any such Excess Amount from future payments in relation to 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 8(e) and Credit Security Condition 8(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 8(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, Valuation 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 Credit Security Condition 2(b) shall be rounded downwards to the nearest sub-unit of the relevant currency.

## 9. 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 Linked Security Disruption Event"** means any of Change in Law, Hedging Disruption, and/or Increased Cost of Hedging, in each case if specified as applying in the 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 <http://www.markit.com/marketing/services.php>.

**"Additional Provisions"** means any additional provisions from time to time published by ISDA for use in the over-the-counter credit derivatives market and specified as applicable in relation to a Reference Entity which may include:

- (a) the Additional Provisions for Physically Settled Default Swaps - Monoline Insurer as Reference Entity, as published by ISDA on 21 January 2005; or
- (b) any other provisions specified in relation to such Reference Entity.

**"Affected Entity"** has the meaning given to such term in Credit Security Condition 5(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 Credit 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 or 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.

**"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:

Auction Settlement Amount =

Max (0, Min [A, ([A × (100% - B)] - C))

Where:

**"A"** means the Reference Entity Notional Amount;

**"B"** means the relevant Auction Final Price; and

**"C"** means the Credit Unwind Costs (unless the applicable Final Terms specify that Credit Unwind Costs are not applicable, in which event **"C"** means zero).

**"Auction Settlement Amount Notice"** means a notice given by the Issuer to the Calculation Agent and the Holders in accordance with Security Condition 10 (*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 the Permissible Deliverable Obligations are more limited than the Permissible Deliverable Obligations under the Transaction Auction Settlement Terms) 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 Holders in accordance with Security Condition 10 (*Notices*) (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 Security"** means any Credit Securities specified as such in the Final Terms.

**"Bond"** means any obligation of a type included in the "Borrowed Money" Obligation Category that is in the form of, or represented by, a bond, note (other than notes delivered pursuant to Loans), certificated debt security or other debt security and shall not include any other type of Borrowed Money obligation.

**"Bond or Loan"** means any obligation that is either a Bond or a Loan.

**"Borrowed Money"** means any obligation (excluding an obligation under a revolving credit arrangement for which there are no outstanding unpaid drawings in respect of principal) for the payment or repayment of borrowed money (which term shall include, without limitation, deposits and reimbursement obligations arising from drawings pursuant to letters of credit).

**"Capped Reference Entity"** means, unless otherwise specified in the Final Terms, a Reference Entity having a specified Transaction Type in respect of which "60 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 Final Price or Weighted Average Final Price (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 Event 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.

**"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 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 website at [www.isda.org](http://www.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, 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 (i) for the purposes of any event that constitutes a Credit Event (or with respect to Repudiation/Moratorium, the event described in paragraph (b) of the definition thereof), the date that is 60 calendar days prior to the Credit Event Resolution Request Date; or (ii) otherwise, the date that is 60 calendar days prior to the earlier of (A) the Notice Delivery Date, if the Notice Delivery Date occurs during the Notice Delivery Period and (B) the Credit Event Resolution Request Date, if the Notice Delivery Date occurs during the Post Dismissal Additional Period.

The Credit Event Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention.

**"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 Event Cash Settlement Amount"** means, in relation to any Reference Entity and unless otherwise specified in the Final Terms, an amount in the Settlement Currency as determined by the Calculation Agent in accordance with the formula below:

$$\text{Credit Event Cash Settlement Amount} = \text{Max} (0, \text{Min} [A, ([A \times (100\% - B)] - C)])$$

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; and



"C" means the Credit Unwind Costs (unless the applicable Final Terms specify that Credit Unwind Costs are not applicable, in which event "C" means zero).

**"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 Observation Period End Date"** means the date specified as such in the Final Terms or, if no such date is specified, the Scheduled Termination date.

**"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 Holder or its Affiliate or as may otherwise be specified in the Final Terms.

**"Credit Security Scheduled Expiration Date"** means either:

- (a) the Scheduled Termination Date specified in the Final Terms; 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 Termination 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" (or, in the case of Basket Credit Securities or Nth-to-Default Credit Securities, the latest to occur of the dates so determined with respect to any relevant Reference Entity).

**"Credit Securities"** means Securities linked to the credit of a specified entity or entities.

**"Credit Unwind Costs"** means the amount specified in the Final Terms or if "Standard Credit 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 Credit 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 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 Outstanding Notional Amount of each Credit Security.



**"Currency Amount"** means with respect to a Deliverable Obligation which is 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

**"Currency Rate"** means with respect to a 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.

**"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 fourteen 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 Relevant Valuation Date, the Credit Security Scheduled Expiration 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.

**"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.

**"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 3 (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 the Relevant Valuation 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.

**"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 Holder that provides each Holder 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 Holder 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).

**"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 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
    - (II) 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
    - (II) a Credit Event Notice is delivered by the Calculation Agent to the Issuer on or prior to the Exercise Cut-off Date; or

- (ii) if so elected by the Calculation Agent, 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 fourteen calendar days thereafter,

provided that:

- (i) no Cash Settlement Date has occurred on or prior to the date on which the DC Credit Event Meeting Announcement occurs;
- (ii) if any Relevant Valuation Date 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 Relevant Valuation Date, 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.

In respect of an M(M)R Restructuring Credit Event, the Calculation Agent will deliver a Credit Event Notice as soon as reasonably practicable after a DC Credit Event Announcement only if it determines that an Auction has been held or will be held in respect of Deliverable Obligations which are eligible as Valuation Obligations under the terms of the Credit Securities. An Event Determination Date will occur in such case on the date on which such Credit Event Notice is delivered by the Calculation Agent to the Issuer, and a Notice of Publicly Available Information shall not be required.

Where the Credit Securities are Basket 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 in its sole and absolute discretion.

**"Excess Amount"** means any amount paid to the Holders 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.

**"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 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.

**"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; or
- (b) that a Potential Failure to Pay has occurred or may occur on or prior to the Credit Observation Period EndDate; 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, if 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, 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 lowest 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.

**"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 offer 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 or Valuation Obligation 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 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 applicable Final Terms or, if no period is specified, thirty calendar days; and
- (c) if, as of the date as of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Business Days is applicable under the terms of such Obligation, a Grace Period of three Grace Period Business Days shall be deemed to apply to such Obligation; provided that, unless Grace Period Extension is specified 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.

**"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.

**"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.

**"Legacy Reference Entity"** has the meaning given to such term in Credit Security Condition 5(c)(ii) above.

**"Limitation Date"** means, in respect of a Credit Event that is a 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.

**"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.

**"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, a Reference Entity or any of the Issuer, and/or (if applicable) the Guarantor consolidates or amalgamates with, or merges into, or transfers all or substantially all

of its assets to, any of the Issuer or the Guarantor as applicable, or a Reference Entity respectively, or a Reference Entity and any of the Issuer, and/or (if applicable) the Guarantor become affiliates.

**"Merger Event Redemption 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 applicable 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 Holders in accordance with Security Condition 10 (*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 selection of Valuation Obligations has taken place.

**"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.

**"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 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 Seller (each as defined in the Credit Derivatives Definitions), incorporating the terms of the Credit Derivatives Definitions and under the terms of which:

- (a) the "Trade Date" is the Trade Date, if specified in the Final Terms and if not, the Issue Date;
- (b) the "Scheduled Termination Date" is the 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.

**"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 Notional Amount"** means, in respect of any Credit Security, such Credit Security's pro rata share of the initial aggregate Notional Amount of the Credit Securities 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 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 and the issuance of any further Credit Securities.

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, 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 the Relevant Valuation Date; 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](http://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.

**"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.

**"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 Matrix"** means the Credit Derivatives Physical Settlement Matrix Supplement to the Credit Derivatives Definitions, as most recently amended or supplemented as at the Trade Date (unless otherwise specified in relation to a Reference Entity) and as published by ISDA on its website at [www.isda.org](http://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 applicable Final Terms; and
- (b) "Floating Rate Payer Calculation Amount" shall be deemed to be a reference to the Specified Currency.

**"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 fourteen calendar 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 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 or Valuation 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 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, in the case of a Valuation Obligation included in the Valuation Obligations Portfolio, the amount selected by the Calculation Agent in accordance with such definition) (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).

**"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 a Reference Entity for the Credit Securities, as the terms of which may be modified pursuant to Credit Security Condition 5 (*Successors*).

**"Reference Entity Notional Amount"** means in respect of any Reference Entity, the amount in which the Issuer has sold 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 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)  $(M+1)-N$ ; and
- (c) in the case of the 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.

subject to in each case Credit Security Conditions 2, 5 and 7 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 cancel, as applicable, all but not some only of the Credit Securities on a date as specified by notice to the Holders in accordance with Security Condition 10 (*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.

**"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.

**"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.

**"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 Holders, the Issuer or any other person and, provided that the Successor selected meets the criteria specified above, is entitled, and indeed will endeavour, to select the least credit-worthy of the Successors. In making any selection, the Calculation Agent will not be liable to account to the Holders, 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:

- (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 7(d), 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.

**"Rules"** means the Credit Derivatives Determinations Committee Rules, as published by ISDA on its website at [www.isda.org](http://www.isda.org) (or any successor website thereto) from time to time and as amended from time to time in accordance with the terms thereof.

**"Scheduled Termination Date"** means the date specified as such in the Final Terms which shall not be subject to adjustment in accordance with any Business Day Convention.

**"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 Valuation Date"** means the date falling three Credit Security Business Days prior to the Valuation Date.

**"Single Reference Entity Credit Security"** means any Credit Securities 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.

**"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](http://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.

**"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 5(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 5(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.

"**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.

**"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.

**"Valuation Date"** means:

- (a) any Credit Security Business Day falling between the 55<sup>th</sup> and the 122<sup>nd</sup> Credit Security Business Day following the Event Determination Date (or, if the Event Determination Date occurs pursuant to subparagraph (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 in its sole and absolute discretion); or
- (b) if "Cash Settlement" is applicable as a Fallback Settlement Method, any Credit Security Business Day falling between the 55<sup>th</sup> and the 122<sup>nd</sup> 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 in its sole and absolute discretion).

**"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 would constitute a "Deliverable Obligation" 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 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 in its sole and absolute discretion (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 in its sole and absolute discretion)), shall not exceed the relevant Reference Entity Notional Amount.

**"Valuation Time"** means the time specified in relation to a Reference Entity or, if no such time is specified, 11:00 a.m. in the principal trading market for the relevant Valuation Obligation.

**"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).

**"Weighted Average Quotation"** means, in accordance with the offer 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 or Valuation 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 Valuation 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.

## 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.

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**"). Holders 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](http://www.isda.org) (or any successor website thereto).

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 website at [www.isda.org](http://www.isda.org) (or any successor website thereto) as of 20 January 2016 (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: [www.isda.org](http://www.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 a voting member on each of the Credit Derivatives Determinations Committees. 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, the 2014 ISDA Credit Derivatives Definitions (the "**2014 Definitions**"). ISDA will serve 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 Holders, 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 Holders. See "Risk Factors - Rights Associated with Credit Derivatives Determinations Committees" for further information. The terms of the Credit Securities provide that the Holders 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 Holders.

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 Holders. Holders (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 Holders of such information (other than as expressly provided in the Final Terms). Holders shall therefore be responsible for obtaining such information. See "Risk Factors – Rights Associated with Credit Derivatives Determinations Committees".

The Credit Derivatives Determinations Committees have the ability to make determinations that may materially affect the Holders. 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 Holders. 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 Holders, 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 Warrants.

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 Holders. 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.

Holders 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 Holders 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 three non-voting consultative members. 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 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. For the first composition of the Credit Derivatives Determinations Committees only, an additional non-voting dealer institution has been selected to serve across all regions.

Holders will have no role in the composition of the Credit Derivatives Determinations Committees. Separate criteria applies with respect to the selection of dealer and non-dealer institutions to serve on the Credit Derivatives Determinations Committees and the Holders 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 Holders 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.

### **Ability of the Calculation Agent or its Affiliates to influence the Credit Derivatives Determinations Committees**

As of the date hereof, the Calculation Agent (or one of its Affiliates) is a voting member on each of the Credit Derivatives Determinations Committees. In such capacity, it may take certain actions that may influence the process and outcome of decisions of the Credit Derivatives Determinations Committees, including (without limitation): (a) agreeing to deliberate a question referred to ISDA, (b) voting on the resolution of any question being deliberated by a Credit Derivatives Determinations Committee and (c) advocating a certain position during the external review process. In addition, as a party to transactions which incorporate, or are deemed to incorporate, the 2014 Definitions or the Updated 2003 Definitions, the Calculation Agent may refer a question to ISDA for a Credit Derivatives Determinations

Committee to deliberate. In deciding whether to take any such action, the Calculation Agent (or its Affiliate) shall be under no obligation to consider the interests of any Holder. See "Potential conflicts of interest of the Calculation Agent" below for additional information.

### **Potential Conflicts of interest of the Calculation Agent**

Since, as of the date hereof, the Calculation Agent (or one of its Affiliates) is a voting member on each of the Credit Derivatives Determinations Committees and is a party to transactions which incorporate, or are deemed to incorporate, the 2014 Definitions or the Updated 2003 Definitions, it may take certain actions which may influence the process and outcome of decisions of the Credit Derivatives Determinations Committees. See "Ability of the Calculation Agent or its Affiliates to influence the Credit Derivatives Determinations Committees" above for additional information. Such action may be adverse to the interests of the Holders and may result in an economic benefit accruing to the Calculation Agent. In taking any action relating to the Credit Derivatives Determinations Committees or performing any duty under the Rules, the Calculation Agent shall have no obligation to consider the interests of the Holders and may ignore any conflict of interest arising due to its responsibilities under the Credit Securities.

Holders 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 Holders and the Holders will be prevented from pursuing claims with respect to actions taken by such institutions under the Rules.

Holders should also be aware that institutions serving on the Credit Derivatives Determinations 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.

Holders 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 Holders of such information (other than as expressly provided in the Final Terms). Failure by the Holders to be aware of information relating to deliberations of a Credit Derivatives Determinations Committee will have no effect under the applicable Final Terms and Holders 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 Holders and the powers of the Credit Derivatives Determinations Committees may be expanded or modified as a result.

## ANNEX 13

### ADDITIONAL TERMS AND CONDITIONS FOR SECURED SECURITIES

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to the Securities specified in the applicable Final Terms as Secured Securities shall comprise the terms and conditions of Securities (the "**Security Conditions**") and the additional Terms and Conditions for Secured Securities set out below (the "**Collateral Security Conditions**"), 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 Collateral Security Conditions, the Collateral Security Conditions shall prevail.

#### Part A

The provisions of this Part A apply in relation to Secured Securities unless the Final Terms of such Secured Securities specify that Part A of this Annex 13 or Part C of this Annex 13 shall apply. Where this Part A applies, for the avoidance of doubt, the terms of Part C of Annex 13 shall not apply to the Securities.

#### 1. Definitions

"**Additional Security Document**" means any security document which is entered into by the Issuer in respect of a Collateral Pool in addition to a Pledge Agreement;

"**Aggregate Cash Settled Final Security Value**" means, in respect of a Collateral Pool, the sum of the Aggregate Final Security Values of each series of Secured Securities secured by such Collateral Pool to which Collateral Cash Settlement is applicable;

"**Aggregate Collateral Proceeds Share**" means, in respect of a series of Secured Securities, the product of the Collateral Percentage applicable to such series of Secured Securities and the Realisation Amount in respect of the Collateral Pool which secures such series of Secured Securities;

"**Aggregate Delivery Share**" means, in respect of a series of Secured Securities, the product of the Collateral Percentage applicable to such series of Secured Securities and the Collateral Assets Value in respect of the Collateral Pool which secures such series of Secured Securities;

"**Aggregate Final Security Value**" means, in respect of a series of Securities, the aggregate of the Final Security Values of each Secured Security in such series of Secured Securities;

"**Aggregate Physically Settled Final Security Value**" means, in respect of a Collateral Pool, the Aggregate Final Security Values of each series of Secured Securities secured by such Collateral Pool to which Physical Delivery of Collateral is applicable;

"**Alternative Security Document**" means any security document which is entered into by the Issuer in respect of a Collateral Pool as an alternative to a Pledge Agreement;

"**BNPP Holding**" means, at any time, in respect of a series of Secured Securities, the number of Secured Securities held by the Issuer and/or any Affiliate(s) of the Issuer;

"**Cash Collateral Value**" has the meaning given to it in Collateral Security Condition 3.2;

"**Cash Portion Percentage**" means in respect of a Collateral Pool, the amount (expressed as a percentage) equal to the Aggregate Cash Settled Final Security Value applicable to such Collateral Pool divided by Pool Aggregate Final Security Value;

**"Cash Settled Portion"** means an amount equal to the product of the Cash Portion Percentage and the Collateral Assets Value;

**"Cash Settled Portion Assets"** means Collateral Assets in a nominal amount equal to the Cash Settled Portion (where Nominal Value Collateralisation or Partial Nominal Value Collateralisation is applicable) or with a marked to market value equal to the Cash Settled Portion (where MTM Collateralisation or Partial MTM Collateralisation is applicable);

**"Collateral Account"** has the meaning given to it in Collateral Security Condition 3.2;

**"Collateral Agent"** means BNP Paribas Trust Corporation UK Limited, or such other entity as is specified in the applicable Final Terms, and, if applicable, any sub-agent of, or any other entity appointed by the Collateral Agent;

**"Collateral Asset Default Determination Date"** means the date on which it is determined by the Calculation Agent that a Collateral Asset Default or Collateral Asset Issuer Default, as the case may be, has occurred for the purposes of Collateral Security Condition 7.2;

**"Collateral Asset Issuer"** means the issuer of, and/or obligor in respect of, any relevant Collateral Assets;

**"Collateral Assets"** means any Eligible Collateral specified in the applicable Final Terms (if any) and any Eligible Collateral delivered to the Collateral Custodian as additional or alternative Collateral Assets, together with, in each case, any accrued interest, redemption proceeds, income or other assets derived from such Eligible Collateral to the extent held in the relevant Collateral Account but shall not include any Collateral Assets which have been withdrawn from a Collateral Account in accordance with the relevant Pledge Agreement and the Agency Agreement;

**"Collateral Assets Value"** means, in respect of a Collateral Pool, (i) an amount equal to the aggregate nominal amount of Collateral Assets held by the Issuer in the Collateral Account in respect of such Collateral Pool where Nominal Value Collateralisation and/or Partial Nominal Value Collateralisation are applicable to each series of Secured Securities secured by the relevant Collateral Pool or (ii) an amount equal to the aggregate marked to market value (expressed as an amount) (as determined by the Collateral Agent) of the Collateral Assets held by the Issuer in the Collateral Account in respect of such Collateral Pool, where MTM Collateralisation and/or Partial MTM Collateralisation are applicable to each series of the Secured Securities secured by the relevant Collateral Pool;

**"Collateral Calculation Agent"** means BNP Paribas Arbitrage S.N.C. or such other entity specified in the applicable Final Terms;

**"Collateral Cash Settlement"** means, following the occurrence of an Enforcement Event, realisation of all or certain of the Collateral Assets is to take place in accordance with Collateral Security Condition 3.3 and Collateral Cash Settlement shall apply to each series of Secured Securities where the Final Terms provide that it shall apply;

**"Collateral Custodian"** means BNP Paribas Securities Services, Luxembourg Branch and/or such other entity as is specified in the applicable Final Terms, and, if applicable, any sub-custodian of, or any other entity appointed by the Collateral Custodian;

**"Collateral Delivery Date"** means, in respect of a Collateral Pool, the date scheduled by the Collateral Agent to be the date on which the Collateral Agent intends to deliver the Collateral Assets in such Collateral Pool to Holders in accordance with Collateral Security Condition 3.6;

**"Collateral Early Settlement Amount"** has the meaning given to it in Collateral Security Condition 7.4;

**"Collateral Enforcement Proceeds"** means the proceeds of realisation of, or enforcement with respect to, the Collateral Assets in a Collateral Pool;

**"Collateral Percentage"** means, in respect of a series of Secured Securities, the amount (expressed as a percentage) equal to the Aggregate Final Security Value applicable to such series of Secured Securities divided by the Pool Aggregate Final Security Value applicable to the Collateral Pool which secures such series of Secured Securities;

**"Collateral Pool"** means a pool of Collateral Assets (including a cash deposit) held in a Collateral Account which secure one or more series of Secured Securities as specified in the applicable Final Terms;

**"Collateral Proceeds Share"** means, in respect of a series of Secured Securities, the *pro rata* share of a Secured Security within such series in the Aggregate Collateral Proceeds Share applicable to such series of Secured Securities;

**"Collateral Settlement Disruption Event"** means due to an event beyond the control of the Collateral Agent, the Collateral Agent determines it is impossible or illegal for the Collateral Agent to deliver the relevant Entitlement to a Holder on the related Collateral Delivery Date due to failure of the relevant clearance system or due to any law, regulation, court order or market conditions;

**"Collateral Split Rounding Amount"** has the meaning given to it in Collateral Security Condition 3.8;

**"Collateral Valuation Date"** means a date on which the Collateral Calculation Agent determines the marked to market value of the Collateral Assets in the relevant Collateral Pool and, if MTM Collateralisation or Partial MTM Collateralisation is specified in the applicable Final Terms, the marked to market value of the relevant Secured Securities, on such periodic basis as is specified in the applicable Final Terms;

**"Collateral Value"** means the Cash Collateral Value or the Securities Collateral Value, as the case may be;

**"Collective Investment Scheme"** means any scheme or arrangement made or offered by any company, under which the contributions or payments made by investors are pooled and utilised with a view to receiving profits, income, property or other benefit and managed on behalf of investors;

**"Delivery Share"** means, in respect of a series of Secured Securities, the *pro rata* share of a Secured Security within such series in the Aggregate Delivery Share applicable to such series of Secured Securities;

**"Default Notification"** means the delivery of a written notice by a Holder to each of the Issuer, the Principal Security Agent, the Collateral Agent, the Swap Counterparty (if any) and the Repo Counterparty (if any) specifying that an Event of Default has occurred in accordance with Collateral Security Condition 6.1;

**"Dispute Period"** means the period commencing on the day on which the Collateral Agent receives a Default Notification and ending at 5:00 pm (Paris time) on the fifth Business Day following such receipt;

**"Eligible Collateral"** means (i) assets which are one or more of the types of asset which are listed in the Eligible Collateral Annex to this Annex and which are specified in the applicable Final Terms to be Eligible Collateral for the relevant Collateral Pool and (ii) any Fallback Collateral (if applicable);

**"Enforcement Event"** means the delivery of an Enforcement Notice by the Collateral Agent to each of the Issuer, the Principal Security Agent, the Collateral Custodian, the Swap Counterparty (if any) and Repo Counterparty (if any);

**"Enforcement Expenses"** means all amounts due to the Collateral Agent and/or any appointee or agent thereof, including any costs, expenses and taxes incurred in connection with the realisation of, or enforcement with respect to the Collateral Assets in a Collateral Pool and distribution of such proceeds and/or, where

applicable, delivery of Collateral Assets to the Holders of the related Secured Securities and any other unpaid amounts payable to the Collateral Agent by the Issuer under the Agency Agreement;

**"Enforcement Notice"** means a notice specifying that a Default Notification has been received from a Holder and no Event Dispute Notice has been received from the Issuer within the Dispute Period with respect to such Default Notification and that, as a result, the Secured Securities are immediately due and payable;

**"Event Dispute Notice"** means a notice from the Issuer to the Collateral Agent following receipt of a Default Notification specifying that the Issuer reasonably believes that the Event(s) of Default which are the subject of such Default Notification have not occurred, together with reasonable evidence supporting the Issuer's belief (including a description in reasonable detail of the facts relevant to the determination that an Event of Default has not occurred);

**"Fallback Collateral"** means, with respect to a Fallback Determination Date, assets which are one or more of the types of asset which are listed in the Eligible Collateral Annex to this Annex and which are specified in the applicable Final Terms as being Fallback Collateral, provided that on the relevant Fallback Determination Date, the Fallback Condition applies. In addition to the foregoing, any assets which constituted Fallback Collateral on an applicable Fallback Determination Date shall, for so long as such assets are held by the Issuer in the relevant Collateral Account relating to the relevant Collateral Pool, constitute Fallback Collateral;

**"Fallback Condition"** means that on the Fallback Determination Date the Issuer (having used commercially reasonable efforts) is unable to obtain sufficient Eligible Collateral to satisfy in whole or in part its obligation to deliver Eligible Collateral (which is not Fallback Collateral) to the Collateral Account (i) where it is required to do so or (ii) where it has elected to substitute Collateral Assets in the Collateral Account, in each case in accordance with the Collateral Security Conditions;

**"Fallback Determination Date"** means any day on which the Issuer (i) is required to transfer Eligible Collateral to the Collateral Account or (ii) elects to substitute Collateral Assets in the Collateral Account, in each case in accordance with the Collateral Security Conditions;

**"Final Security Value"** means, in respect of a Secured Security (and in each case expressed as an amount) (a) if MTM Collateralisation is specified as applicable in the Final Terms relating thereto, the marked to market value of the relevant Secured Security, as determined for the purposes of Collateral Security Condition 3.2 as at the Collateral Valuation Date for the relevant Collateral Pool immediately prior to the occurrence of the Enforcement Event, (b) if Partial MTM Collateralisation is specified as applicable in the Final Terms relating thereto, the product of (i) the marked to market value of the relevant Secured Security, as determined for the purposes of Collateral Security Condition 3.2 as at the Collateral Valuation Date for the relevant Collateral Pool immediately prior to the occurrence of the Enforcement Event and (ii) the Partial Collateralisation Level applicable to the relevant series of Secured Securities, (c) if Nominal Value Collateralisation is specified as applicable in the Final Terms relating thereto, the relevant Secured Security's nominal value or (d) if Partial Nominal Value Collateralisation is specified as applicable in the applicable Final Terms relating thereto, the product of (i) the nominal value of such Secured Security and (ii) the Partial Collateralisation Level applicable to the relevant series of Secured Securities;

**"Haircut"** means a percentage by which the market value of a Collateral Asset is discounted to mitigate possible depreciation in the value of the relevant Collateral Asset in the period between the last valuation of such Collateral Asset and the realisation of such Collateral Asset.

**"Hedge Transaction"** means any transaction or trading position entered into or held by the Issuer and/or any of its Affiliates (including, without limitation, any purchase, sale, entry into or maintenance of one or more (a) positions or contracts in securities, options, futures, derivatives or foreign exchange, (b) stock loan transactions or (c) other instruments or arrangements (howsoever described) by a party) to hedge, directly or



indirectly, individually or on a portfolio basis, the Issuer's obligations or positions (whether in whole or in part) in respect of the Secured Securities.

**"Holder Priority of Payments"** means the Collateral Enforcement Proceeds shall be used by the Collateral Agent to make payments in the following order of priority (in each case only if and to the extent that payments of a higher priority have been made in full):

- (a) first, to pay any Enforcement Expenses to the Collateral Agent and/or any appointee or agent thereof;
- (b) secondly, to pay the aggregate Security Termination Amounts due in respect of the relevant Secured Securities; and
- (c) thirdly, to pay the balance (if any) to the Issuer.

**"Issuer"** means BNPP B.V.;

**"MTM Value"** means, in respect of a Secured Security, the marked to market value (expressed as an amount) of such Secured Security (taking into account all factors which the Collateral Agent determines relevant) immediately prior to the occurrence of an Enforcement Event, provided that no account shall be taken of the financial condition of (i) the Issuer which shall be deemed to be able to perform fully its obligations in respect of the Secured Securities or (ii) the Guarantor which shall be deemed to be able to perform fully its obligations in respect of the Guarantee and provided further that where the relevant Secured Security is one to which Cash Settlement is applicable and is a Secured Security in respect of which the Relevant Settlement Date is due to occur on or prior to the date on which the Enforcement Event occurred, the marked to market value of the Secured Security, for the purpose of determining such amount, may not be less than the Relevant Settlement Amount payable in respect thereof;

**"nominal value"** means, in respect of any Secured Security the Notional Amount of such Secured Security;

**"Option"** means the option entered into by the Issuer with an Affiliate of BNP Paribas in order to hedge the Issuer's obligations to pay in respect of the relevant Secured Securities a Cash Settlement Amount which may be equal to, less or greater than the Issue Price or which is payable in a Settlement Currency other than that in which the Certificates are denominated;

**"Option Value Amount"** means, subject to a minimum of zero, an amount in the Settlement Currency equal to each Placed Secured Securities' *pro rata* share of an amount equal to the marked to market value, on the Collateral Asset Default Determination Date, of the Option, as determined by the Calculation Agent;

**"Partial Collateralisation Level"** means the percentage specified as such in the applicable Final Terms;

**"Partial Nominal Amount"** means, in respect of a Secured Security, the product of (i) the nominal value of such Secured Security and (ii) the Partial Collateralisation Level applicable to the relevant series of Secured Securities;

**"Physical Delivery of Collateral"** means, following the occurrence of an Enforcement Event, Collateral Assets are to be delivered to the Holders of Secured Securities in accordance with Collateral Security Condition 3.6 and shall only apply to a series of Secured Securities where "Physical Delivery of Collateral" is specified as applicable in the applicable Final Terms;

**"Physical Portion Assets"** means Collateral Assets in a nominal amount equal to the Physically Settled Portion (where Nominal Value Collateralisation or Partial Nominal Value Collateralisation is applicable) or with a marked to market value equal to the Physically Settled Portion (where MTM Collateralisation or Partial MTM Collateralisation is applicable);

**"Physical Portion Percentage"** means, in respect of a Collateral Pool, the amount expressed as a percentage, equal to the Aggregate Physically Settled Final Security Value applicable to such Collateral Pool divided by the Pool Aggregate Final Security Value;

**"Physically Settled Portion"** means an amount equal to the product of the Physical Portion Percentage and the Collateral Asset Value;

**"Placed Secured Securities"** means, at any time, the number of Secured Securities outstanding less the number of any Secured Securities which form part of the BNPP Holding at such time;

**"Pledge"** means the Security Interests created, or intended to be created at any time in favour of the Collateral Agent on behalf of the relevant Holders under the Pledge Agreement relating to a Collateral Pool;

**"Pledge Agreement"** is as defined in Collateral Security Condition 3.2;

**"Pool Aggregate Final Security Value"** means, in respect of a Collateral Pool, the aggregate of the Final Security Values of each Secured Security which is secured by such Collateral Pool;

**"Priority of Payments"** means, in respect of a series of Secured Securities to which Physical Delivery does not apply, Holder Priority of Payments, Swap Counterparty Priority of Payments, Repo Counterparty Priority of Payments, Unwind Priority of Payments as specified in the applicable Final Terms, being the order of priority in which payments will be made using the Collateral Enforcement Proceeds in respect of such series of Secured Securities;

**"Realisation Amount"** means the net proceeds of realisation of, or enforcement with respect to, the Collateral Assets in a Collateral Pool following payment of any amount which is payable in priority to amounts due in respect of the Secured Securities which are secured by such Collateral Pool in accordance with the applicable Priority of Payments;

**"Relevant Settlement Amount"** means Cash Settlement Amount, Optional Redemption Amount, Collateral Early Settlement Amount or the relevant redemption amount payable under the Credit Securities, as the case may be;

**"Relevant Settlement Date"** means Cash Settlement Date, Optional Redemption Date or Settlement Date, as the case may be;

**"Repayable Assets"** has the meaning given to it in Collateral Security Condition 7.2;

**"Repo Counterparty"** means the entity specified as such in the applicable Final Terms;

**"Repo Counterparty Priority of Payments"** means the Collateral Enforcement Proceeds shall be used by the Collateral Agent to make payments in the following order of priority (in each case only if and to the extent that payments of a higher priority have been made in full):

- (a) first, to pay any payment due to the Repo Counterparty under the Repurchase Agreement;
- (b) secondly, to pay any Enforcement Expenses to the Collateral Agent and/or any appointee or agent thereof;
- (c) thirdly, to pay to the Repo Counterparty any other amounts due thereto under the Repurchase Agreement which are not paid under paragraph (a) above;
- (d) fourthly, to pay to the Swap Counterparty any payments due under the Swap Agreement (if any);



- (e) fifthly, to pay the aggregate Security Termination Amounts due in respect of the relevant Secured Securities; and
- (f) sixthly, to pay the balance (if any) to the Issuer.

**"Repurchase Agreement"** means the repurchase agreement entered into by the Issuer with the relevant Repo Counterparty in respect of the Secured Securities;

**"Rounding Amount"** means the Collateral Split Rounding Amount payable to a Holder in respect of a Secured Security;

**"Securities Collateral Value"** has the meaning given to it in Collateral Security Condition 3.2;

**"Securities Value"** means an amount equal to the sum of, in respect of each series of Secured Securities secured by the same Collateral Pool, (i) the marked to market value of the Secured Securities where MTM Collateralisation is specified in the applicable Final Terms as applicable to such series of Secured Securities, (ii) the product of (A) the marked to market value of the Secured Securities and (B) the relevant Partial Collateralisation Level where Partial MTM Collateralisation is specified in the applicable Final Terms as applicable to such series of Secured Securities, (iii) the aggregate nominal value of the Secured Securities where Nominal Value Collateralisation is specified in the applicable Final Terms as applicable to such series of Secured Securities or (iv) the product of (A) the aggregate nominal value of the Secured Securities and (B) the relevant Partial Collateralisation Level where Partial Nominal Value Collateralisation is specified in the applicable Final Terms as applicable to such series of Secured Securities, provided that any Secured Securities which are, on the relevant Collateral Valuation Date, beneficially owned by BNPP B.V. or any of its Affiliates shall be disregarded as if they did not exist for the purposes of determining such amount;

**"Security Interests"** means any pledge, other encumbrance or security interest created under a Pledge Agreement;

**"Security Realised Amount"** is as defined in Collateral Security Condition 3.5;

**"Security Termination Amount"** means, in respect of a Secured Security, an amount determined by the Collateral Agent equal to:

- (a) if Security Value Termination Amount is specified in the applicable Final Terms, the MTM Value of such Secured Security;
- (b) if Security Value Realisation Proceeds is specified in the applicable Final Terms, such Secured Security's *pro rata* share of the Realisation Amount subject to a maximum amount equal to the MTM Value of such Secured Security;
- (c) if Nominal Value Realisation Proceeds is specified in the applicable Final Terms, the Secured Security's *pro rata* share of the Realisation Amount subject to a maximum amount equal to the nominal value of such Secured Security;
- (d) if Partial Nominal Value Realisation Proceeds is specified in the applicable Final Terms, the Secured Security's *pro rata* share of the Realisation Amount subject to a maximum amount equal to the product of (i) the nominal value of such Secured Security and (ii) the Partial Collateralisation Level applicable to the relevant series of Secured Securities;
- (e) if Nominal Value Amount is specified in the applicable Final Terms, the nominal value of such Secured Security;

- (f) if Shortfall Value Amount is specified in the applicable Final Terms, the sum of (i) the lower of (A) such Secured Security's *pro rata* share of the Realisation Amount and (B) the product of (I) the nominal value of such Secured Security and (II) the Partial Collateralisation Level applicable to the relevant series of Secured Securities and (ii) an amount, subject to a minimum of zero, equal to the MTM Value of such Secured Security less the Partial Nominal Amount; or
- (g) the amount specified as such in the Final Terms applicable to such Secured Security;

"**Shortfall**" is as defined in Collateral Security Condition 3.5;

"**Swap Agreement**" means the swap agreement entered into by the Issuer with the relevant Swap Counterparty in respect of the Secured Securities;

"**Swap Counterparty**" means the entity specified as such in the applicable Final Terms;

"**Swap Counterparty Priority of Payments**" means the Collateral Enforcement Proceeds shall be used by the Collateral Agent to make payments in the following order of priority (in each case only if and to the extent that payments of a higher priority have been made in full):

- (i) first, to pay any Enforcement Expenses to the Collateral Agent and/or any appointee or agent thereof;
- (ii) secondly, to pay to the Swap Counterparty any payments due under the Swap Agreement;
- (iii) thirdly, to pay the aggregate Security Termination Amounts due in respect of the relevant Secured Securities; and
- (iv) fourthly, to pay the balance (if any) to the Issuer;

"**Undeliverable Collateral Assets**" means Collateral Assets which the Collateral Agent is unable to deliver in accordance with Collateral Security Condition 3.6 due to the occurrence of a Collateral Settlement Disruption Event;

"**Unwind Costs**" means 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 redemption, settlement, cancellation and/or termination of the Secured Securities and the related termination, settlement or re-establishment of any Hedge Transaction; and

"**Unwind Priority of Payments**" means the Collateral Enforcement Proceeds shall be used by the Collateral Agent to make payments in the following order of priority (in each case only if and to the extent that payments of a higher priority have been made in full):

- (i) first, to pay any Enforcement Expenses to the Collateral Agent and/or any appointee or agent thereof;
- (ii) secondly, to pay any Unwind Costs;
- (iii) thirdly, to pay the aggregate Security Termination Amounts due in respect of the relevant Secured Securities; and
- (iv) fourthly, to pay the balance (if any) to the Issuer.

## 2. General

### 2.1 Collateral Calculation Agent

BNP Paribas Arbitrage S.N.C. shall undertake the duties of Collateral Calculation Agent in respect of the Secured Securities as set out below unless another entity is so specified as collateral calculation agent in the applicable Final Terms. The expression "Collateral Calculation Agent" shall, in relation to the relevant Secured Securities, include such other specified collateral calculation agent.

### 2.2 Collateral Agent

BNP Paribas Trust Corporation UK Limited shall undertake the duties of Collateral Agent in respect of the Secured Securities as set out below and in the applicable Final Terms unless another entity is so specified as collateral agent in the applicable Final Terms. The expression "Collateral Agent" shall, in relation to the relevant Secured Securities, include such other specified collateral agent.

### 2.3 Pledge Agreement

The Pledge Agreement will, unless otherwise specified in the applicable Final Terms, be governed by Luxembourg law and Security Conditions 14.1 and 14.2 shall be construed accordingly. Any Alternative Security Document or Additional Security Document will be governed by the law specified in the applicable Final Terms.

## 3. Status of the Secured Securities, Security and Guarantee

### 3.1 Status

Security Condition 3 shall not apply to the Secured Securities. The Secured Securities are unsubordinated and secured obligations of the Issuer and rank *pari passu* among themselves.

### 3.2 Security

The obligations of the Issuer in respect of the Secured Securities will be secured by one or more pledge agreements between the Issuer and the Collateral Agent (each a "**Pledge Agreement**") pursuant to which the Issuer will grant a first ranking security interest in favour of the Collateral Agent, for itself and on behalf of the Holders of the Secured Securities which are to be secured by the relevant Collateral Pool, over all the Issuer's rights in, and, to the Collateral Assets delivered to each of the Collateral Custodians appointed in respect of the relevant Collateral Pool and held from time to time in the relevant account(s) established with the Collateral Custodian(s) for such purpose (such account(s), the "**Collateral Account**"). The Issuer will not deliver Eligible Collateral to the Collateral Account in connection with Secured Securities in respect of which the Issuer or any of its Affiliates are the beneficial owner. In addition to, or as an alternative to, a Pledge Agreement, the Issuer may also enter into an Additional Security Document or Alternative Security Document in respect of a Collateral Pool as specified in the applicable Final Terms in order to secure its obligations in respect of the Secured Securities and references in Collateral Security Condition 1 and hereinafter to "Pledge Agreement" and "Pledges" shall be construed as if they also refer to such Alternative Security Documents and/or Additional Security Documents. Unless the applicable Final Terms specify that there is no Collateral Calculation Agent and/or no Collateral Valuation Dates in respect of a series of Secured Securities and related Collateral Pool:

- (a) where the Collateral Assets are securities, the Issuer will transfer Collateral Assets to and from the Collateral Account (based on the most recent valuation provided by the Collateral Calculation Agent in respect of a Collateral Valuation Date) so that it will hold, in respect of a Collateral Pool, Collateral Assets with an aggregate marked to market value (as determined by the Collateral Calculation Agent

and which will take into account a Haircut if "Haircut" is specified as applicable in the applicable Final Terms) (the "**Securities Collateral Value**") at least equal to the Securities Value (as determined in respect of such Collateral Valuation Date) applicable to the relevant Collateral Pool; and

- (b) where the Collateral Assets are a cash deposit or deposits, the Issuer will transfer Collateral Assets to and from the Collateral Account (based on the most recent valuation of the relevant series of Secured Securities provided by the Collateral Calculation Agent in respect of a Collateral Valuation Date) so that it will hold, in respect of a Collateral Pool, Collateral Assets in an amount (the "**Cash Collateral Value**") at least equal to the Securities Value (as determined in respect of such Collateral Valuation Date) applicable to the relevant Collateral Pool.

For the avoidance of doubt, where no Collateral Calculation Agent and/or no Collateral Valuation Dates are specified in the applicable Final Terms for a Collateral Pool, there will be no adjustment made by the Issuer to the amount of Collateral Assets held by the Issuer in the relevant Collateral Account and the Collateral Value and Securities Value will not be calculated on an ongoing basis during the terms of the relevant Secured Securities which are secured by the relevant Collateral Pool.

In the period between Collateral Valuation Dates (or, where there are no Collateral Valuation Dates between the Issue Date and the Redemption Date or Settlement Date, as the case may be) BNPP B.V. may withdraw Collateral Assets from the Collateral Account provided that it replaces them with alternative Collateral Assets which have at least the same marked to market value (as of the previous Collateral Valuation Date or the Issue Date where there has been no previous Collateral Valuation Date) as those being replaced (where MTM Collateralisation or Partial MTM Collateralisation is applicable) or, where Collateral Assets have been provided in an amount equal to the nominal value of the relevant Secured Securities, the same nominal amount as those being replaced (where Nominal Value Collateralisation or Partial Nominal Value Collateralisation is applicable).

Where the Final Terms in respect of a series of Secured Securities specify that "Single Series Pool" will be applicable to the series of Secured Securities, such series of Secured Securities will be the only series of Secured Securities to be secured by the relevant Collateral Pool. Where the Final Terms specify that "Multiple Series Pool" will be applicable to the relevant series of Secured Securities, such series of Secured Securities may be secured by a Collateral Pool which secures more than one series of Secured Securities.

### 3.3 Realisation of Collateral Assets

If an Enforcement Event occurs, the Collateral Agent shall enforce the Pledge(s) and, unless Physical Delivery of Collateral is specified as applicable in the applicable Final Terms, realise the Collateral Assets in each Collateral Pool (and may appoint one or more agents to assist it to do so) provided that the Collateral Agent need not take such action if it reasonably believes that it would not be able to recover the costs or other liabilities which would be incurred in connection with such action from the relevant Collateral Assets or otherwise or would experience an unreasonable delay in doing so. The Collateral Agent will not have any liability as to the consequences of such action and will not have regard to the effect of such action on individual Holders. Any reference in Collateral Security Conditions 3.3-3.8 (inclusive), Collateral Security Condition 6 and Collateral Security Condition 7 to the Collateral Agent shall also be deemed to be a reference to any agent which it appoints to assist it. Where the Collateral Agent is required to dispose of any Collateral Assets on behalf of the Issuer then:

- (a) the Collateral Agent shall seek firm bid quotations from at least three dealers in assets such as the relevant Collateral Assets (and, for such purpose, it may seek quotations in respect of such Collateral Assets in their entirety or in respect of designated tranches thereof, as it considers appropriate);

- (b) the Collateral Agent may itself provide a bid in respect of the relevant Collateral Assets or any tranche thereof; and
- (c) it shall and shall be authorised to accept in respect of each relevant tranche or, as applicable, the entirety of the relevant Collateral Assets the highest such quotation so obtained (which may be a quotation from the Collateral Agent).

Subject as may otherwise be provided for in these Collateral Security Conditions, in effecting the sales, the Collateral Agent may sell the Collateral Assets in one single tranche or in smaller tranches as it considers appropriate in order to attempt reasonably to maximise the proceeds from such sale. The Collateral Agent may effect sales of the Collateral Assets (i) on any national securities exchange or quotation service on which the Collateral Assets may be listed or quoted, (ii) in the over-the-counter market or (iii) in transactions otherwise than on such exchanges or in the over-the-counter market. If (A) the Collateral Agent is unable to obtain any quotations for the sale of the Collateral Assets or (B) the Collateral Agent is offering to buy the Collateral Assets itself for its own account for a price equal to or higher than the best quotation from a third party, the Collateral Agent may effect sales of the Collateral Assets to itself.

#### 3.4 Application of proceeds

Following payment of (a) all Enforcement Expenses and (b) any other amounts which are payable in accordance with, and in the order set out in, the applicable Priority of Payments in priority to the Holders, the remaining proceeds from the realisation of the Collateral Assets in a Collateral Pool will be applied in meeting the claims of Holders under the Secured Securities which are secured by the relevant Collateral Pool on a *pari passu* basis where each Secured Security's share of such proceeds shall be determined on the basis of such Secured Security's Collateral Proceeds Share provided that a Holder shall not be entitled to receive an amount in respect of a Secured Security greater than the Security Termination Amount determined with respect to such Secured Security.

#### 3.5 Shortfall

In the event that, following the application of the Collateral Enforcement Proceeds in accordance with Collateral Security Condition 3.4 and the relevant Priority of Payments, the amount paid to a Holder in respect of a Secured Security held by him (a "**Security Realised Amount**") is less than the Security Termination Amount determined with respect to such Secured Security (the difference being referred to as a "**Shortfall**"), the Issuer shall remain liable for such Shortfall, but any such Holder shall not have recourse to any Collateral Pool other than the Collateral Pool applicable to that series of Secured Securities.

#### 3.6 Physical Delivery of Collateral Assets

Where "Physical Delivery of Collateral" is specified in the applicable Final Terms, following enforcement of the Pledge(s), the Collateral Agent, will deliver the Collateral Assets in a Collateral Pool to each Holder of a Secured Security secured by the relevant Collateral Pool in a nominal amount equal to the Delivery Share applicable to such Secured Security on a *pari passu* basis (where Nominal Value Collateralisation or Partial Nominal Value Collateralisation apply to the relevant Secured Securities) or with a marked to market value equal to the Delivery Share applicable to such Secured Security on a *pari passu* basis (where MTM Collateralisation or Partial MTM Collateralisation apply to the relevant Secured Securities). Delivery of such Collateral Assets and payment of any Rounding Amount will fully extinguish the Issuer's obligations in respect of the relevant Secured Securities notwithstanding that the value of the Collateral Assets (together with Rounding Amount) so delivered may be less than the market value and/or nominal value of the relevant Secured Security. The Shortfall and the Security Termination Amount in respect of each such Secured Security shall be equal to zero provided that, where MTM Collateralisation, Partial MTM Collateralisation or Partial Nominal Value Collateralisation is applicable, a Shortfall shall be calculated in accordance with

Collateral Security Condition 3.5 where, for such purpose, the Security Realised Amount will be equal to the sum of any Rounding Amount due to the Holder and the marked to market value of the Collateral Assets actually delivered to the Holder (on the basis of the marked to market values of the relevant Collateral Assets determined by the Collateral Agent, as of the relevant date of such delivery) and the Security Termination Amount will be as set out in the applicable Final Terms.

Where delivery of the Collateral Assets is due to be made in respect of Securities, Security Conditions 21, 23 and 24 (as modified by these Collateral Security Conditions) shall apply and, for such purposes, the Securities shall be deemed to be Physical Delivery Securities and the Entitlement in respect of a Secured Security shall be deemed to be a Security's Delivery Share provided that Secured Securities held by the same Holder will be aggregated for the purpose of determining a Holder's aggregate Entitlement in respect of the Secured Securities and provided further that the aggregate Entitlement in respect of the same Holder will be rounded down to the nearest whole unit of the Collateral Assets and fractions of the Collateral Assets will not be delivered, as set out in Security Condition 23.3.

In connection with such delivery, (i) Security Condition 5 shall not apply, (ii) for the purposes of Security Condition 11.1, Security Expenses shall be deemed to include any Enforcement Expenses which are incurred in delivery of the Collateral Assets in accordance with this Collateral Security Condition 3.6, (iii) the Collateral Agent shall be entitled to deduct from the assets deliverable to Holders all Security Expenses not previously deducted from amounts paid or assets delivered to Holders, as the Collateral Agent shall in its sole and absolute discretion determine are attributable to the relevant Secured Securities and (iv) any reference in the Security Conditions to "Relevant Assets" shall be deemed, in connection with a delivery of Collateral Assets in accordance with this Collateral Security Condition 3.6, to be a reference to "Collateral Assets".

Where Physical Delivery of Collateral is applicable to any series of Secured Securities secured by a Collateral Pool either (A) MTM Collateralisation or Partial MTM Collateralisation must apply to each series of Secured Securities secured by the same Collateral Pool or (B) Nominal Value Collateralisation or Partial Nominal Value Collateralisation must apply to each series of Secured Securities secured by the same Collateral Pool.

### 3.7 Settlement Disruption

If, in the opinion of the Collateral Agent, delivery of the Entitlement following the occurrence of an Enforcement Event is not practicable by reason of a Collateral Settlement Disruption Event (as defined above) having occurred and continuing on any Collateral Delivery Date then such Collateral Delivery Date, for such Secured Securities shall be postponed to the first following Business Day in respect of which there is no such Collateral Settlement Disruption Event, provided that the Collateral Agent may elect in its sole discretion to deliver the Entitlement in such other commercially reasonable manner as it may select and in such event the Collateral Delivery Date shall be such day as the Collateral Agent deems appropriate in connection with delivery of the Entitlement in such other commercially reasonable manner. For the avoidance of doubt, where a Collateral Settlement Disruption Event affects some but not all of the Collateral Assets comprising the Entitlement, the Collateral Delivery Date for the Collateral Assets not affected by the Collateral Settlement Disruption Event will be the originally designated Collateral Delivery Date.

If delivery of the relevant Entitlement is not possible due to the occurrence of a Collateral Settlement Disruption Event, for a period of greater than eight Business Days (or such other period specified in the Final Terms), then in lieu of physical settlement and notwithstanding any other provision hereof, the Collateral Agent shall sell or realise the Undeliverable Collateral Assets in the manner set out in Collateral Security Condition 3.3. The Collateral Agent shall give notice as soon as practicable to the Holders in accordance with Security Condition 10 that a Collateral Settlement Disruption Event has occurred. No Holder shall be entitled to any payment in respect of the relevant Secured Security or, if applicable, Unit, as the case may be, in the event of any delay in the delivery of the Entitlement due to the occurrence of a Collateral Settlement



Disruption Event and no liability in respect thereof shall attach to the Issuer, the Guarantor or the Collateral Agent.

### 3.8 Cash Collateral Settlement and Physical Delivery of Collateral

Where both Physical Delivery of Collateral and Collateral Cash Settlement apply to different series of Secured Securities which are secured by the same Collateral Pool, following the occurrence of an Enforcement Event, the following provisions shall apply:

- (a) The Collateral Agent shall first value, or appoint an agent to undertake such valuation on its behalf, the Collateral Assets in the relevant Collateral Pool in order to determine the Collateral Assets Value.
- (b) The Collateral Agent shall determine the Aggregate Cash Settled Final Security Value and the Aggregate Physically Settled Final Security Value and then determine the Cash Settled Portion in respect of the Collateral Assets in the relevant Collateral Pool and the Physically Settled Portion in respect of the Collateral Assets in the relevant Collateral Pool.
- (c)
  - (i) After determining the Collateral Assets Value in respect of the relevant Collateral Pool and calculating the amounts set out in Collateral Security Condition 3.8(b), the Collateral Agent shall determine which Collateral Assets are to be realised in accordance with Collateral Security Condition 3.3 and which Collateral Assets are to be delivered to Holders in accordance with Collateral Security Condition 3.6:
    - (A) (I) (in all circumstances other than where Collateral Security Condition 3.8(c)(i)(B) applies) on the basis that the aggregate marked to market value of the Collateral Assets (as determined for the purposes of calculating the Collateral Assets Value) which are to be realised shall be equal to the amount of the Cash Settled Portion and (II) the aggregate marked to market value of the Collateral Assets (as determined for the purposes of calculating the Collateral Assets Value) which are to be delivered to Holders shall be equal to the amount of the Physically Settled Portion; or
    - (B) on the basis that the aggregate nominal amount of the Collateral Assets which are to be realised in accordance with Collateral Security Condition 3.3 shall be equal to the amount of the Cash Settled Portion and the aggregate nominal amount of the Collateral Assets which are to be delivered to Holders in accordance with Collateral Security Condition 3.6 shall be equal to the amount of the Physically Settled Portion where Nominal Value Collateralisation or Partial Nominal Value Collateralisation apply to the Secured Securities in the relevant Collateral Pool and there are no Collateral Valuation Dates.
  - (ii) In each case if the nominal amount of the Collateral Assets to be the subject of Collateral Cash Settlement or to be delivered in accordance with Physical Delivery of Collateral is not equal to an authorised denomination of the Collateral Assets (or an integral multiple thereof) then the nominal amount of each such Collateral Asset shall be rounded down to the nearest authorised denomination or multiple thereof or, if none, to zero. In such circumstances, the Collateral Assets which were not capable of being assigned as Cash Settled Portion Assets or as Physically Settled Portion Assets due to such rounding in each case shall, if and to the extent practicable, be sold by the Collateral Agent (or such other agent as may be appointed by the Collateral Agent for such purpose) in accordance with Collateral Security Condition 3.3. The resulting amount (the "**Collateral Split Rounding Amount**") shall be paid to the Holders on a *pari passu* basis where each Secured Security's share of such proceeds shall be

determined on the basis of such Secured Security's Collateral Proceeds Share (in the case of Secured Securities to which Collateral Cash Settlement applies) where, for such purpose, the Realisation Amount will be deemed to be equal to such proceeds of sale from the relevant Collateral Assets subject to rounding (after deduction of costs or expenses incurred or relating to such sale) or on the basis of such Secured Security's Delivery Share (in the case of Secured Securities to which such Physical Delivery of Collateral applies) where, for such purpose, the Collateral Assets Value will be deemed to be equal to such proceeds of sale from the relevant Collateral Assets subject to rounding (after deduction of costs or expenses incurred or relating to such sale).

- (d) After the Collateral Agent determines the Collateral Assets to be realised in accordance with Collateral Security Condition 3.3, such Collateral Securities shall be realised in accordance with such Collateral Security Condition provided that references therein to "Collateral Assets" shall be deemed to be references to the Cash Settled Portion Assets only and not to all the Collateral Assets in the Collateral Pool.
- (e) After the Collateral Agent determines the Collateral Assets to be delivered in accordance with Collateral Security Condition 3.6, such Collateral Assets will be delivered to Holders in accordance with such Collateral Security Condition provided that references therein to "Collateral Assets" shall be deemed to be references to the Physically Settled Portion Assets only and not to all the Collateral Assets in the Collateral Pool.

### 3.9 No collateralisation of Secured Securities held by the Issuer or any of its Affiliates

The Issuer will not deliver Collateral Assets to the Collateral Account in respect of Secured Securities where the Issuer or any of its Affiliates are the beneficial owner of such Secured Securities. Following an Enforcement Event, the Issuer will procure that it and/or the Affiliate of the Issuer that holds the Secured Securities will renounce and waive all rights (including as to payment) in respect of such Secured Securities and shall submit such Secured Securities for cancellation free of payment. Any amounts calculated for the purposes of Collateral Security Conditions 3.2 to 3.8 (inclusive) shall be calculated on the basis that any reference to Secured Securities shall be a reference to Placed Secured Securities only and the definitions in Collateral Security Condition 1 shall be interpreted accordingly.

### 3.10 Claim on Guarantor

In the event that the Issuer fails to make payment of the Shortfall, the Guarantor will on demand (without first requiring the Holder to take further steps against the Issuer or any other person) pay to each Holder in respect of each Secured Security held by him, an amount equal to the Shortfall in the currency in which the Shortfall is payable by the Issuer.

### 3.11 Status of Guarantee

The Guarantee applicable to Secured Securities is an unsubordinated and unsecured obligation of BNPP and will rank *pari passu* with all its other present and future unsubordinated and unsecured obligations subject to such exceptions as may from time to time be mandatory under French law. Secured Securities in respect of which these Collateral Security Conditions are specified as applicable in the relevant Final Terms shall be deemed not to be "Securities" for the purposes only of the Deed of Guarantee for Unsecured Securities dated on or around 7 June 2017, or the French Law Guarantee for Unsecured Securities dated on or around 7 June 2017, entered into, in each case, by BNPP in respect of securities (other than Secured Securities) issued by the Issuer under its note, warrant and certificate programme.



### 3.12 Fallback Collateral

Where on any Collateral Valuation Date the Collateral Assets held by the Issuer in the relevant Collateral Account relating to the relevant Collateral Pool comprise, in whole or in part, assets which are Fallback Collateral, the following shall apply:

- (a) on each such Collateral Valuation Date, the Issuer shall use commercially reasonable efforts to replace the Fallback Collateral, whether in whole or to the extent that it is otherwise able to do so, with Eligible Collateral that is not Fallback Collateral; and
- (b) on each Collateral Valuation Date where the Issuer is permitted to withdraw Eligible Collateral from the Collateral Account due to a reduction in the amount or value of the Collateral Assets which the Issuer is required to hold in the applicable Collateral Account, the Issuer shall withdraw Eligible Collateral that is Fallback Collateral prior to withdrawing any Eligible Collateral that is not Fallback Collateral.

## 4. Guarantee

Subject as provided below and in the relevant Guarantee, BNPP has unconditionally and irrevocably (a) guaranteed to each Holder that, if following the occurrence of an Enforcement Event and enforcement of the Pledge in respect of the relevant Collateral Pool, for any reason the Issuer does not pay the Security Termination Amount in respect of a Secured Security in full, BNPP will not later than five Paris Business Days (as defined in the relevant Guarantee) after a demand has been made on BNPP pursuant thereto (without requiring the relevant Holder first to take steps against the Issuer or any other person) pay an amount equal to the Shortfall in the currency in which such payment is due in immediately available funds as though BNPP were the principal obligor in respect of such obligation provided that BNPP shall not be obliged to make any payment under this Guarantee in respect of a Secured Security until the Collateral Assets in the Collateral Pool securing such Secured Security have been realised or liquidated in full and distributed in the manner set out in Collateral Security Condition 6.2.

## 5. Collateral Calculation Agent

In relation to each issue of Secured Securities, the Collateral Calculation Agent (whether it be BNP Paribas, BNP Paribas Arbitrage S.N.C. or another entity) acts solely as agent of the Issuer and the Guarantor, and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders. All calculations and determinations made in respect of the Secured Securities by the Collateral Calculation Agent shall (save in the case of manifest error) be final, conclusive and binding on the Issuer, the Guarantor, the Holders and the Collateral Agent. Because the Collateral Calculation Agent may be an Affiliate of the Issuer, potential conflicts of interest may exist between the Collateral Calculation Agent and the Holders, including with respect to certain determinations and judgments that the Collateral Calculation Agent must make.

The Collateral Calculation Agent may, with the consent of the Issuer, delegate any of its obligations and functions to a third party as it deems appropriate.

## 6. Events of Default and Enforcement

### 6.1 Events of Default

A Holder may deliver a Default Notification specifying that an Event of Default has occurred. If the Collateral Agent does not receive an Event Dispute Notice from the Issuer at or prior to the end of the Dispute Period, it shall deliver an Enforcement Notice to each of the Issuer, the Principal Security Agent, the Collateral Custodian, the Swap Counterparty (if any) and Repo Counterparty (if any) whereupon, each series of Secured Securities shall become immediately due and payable at their Security Termination Amount (save where

Physical Delivery of Collateral is applicable in which case the Entitlement in respect of each such Secured Security shall be delivered on the relevant Collateral Delivery Date) without further action or formalities and the Security Interests granted under the Pledge Agreements shall become enforceable (as set out in the Pledge Agreements).

Any of the following events (each an "**Event of Default**") shall entitle a Holder to deliver a Default Notification:

- (a) the Issuer fails to pay any amount payable in respect of the Secured Securities or any of them when due and payable or fails to deliver the Entitlement when due and such default is not remedied within 30 days after the relevant due date; or
- (b) the Issuer or the Guarantor fails to perform or observe any of its other obligations under the Secured Securities and such default is not remedied within 45 days after notice of such default has been given to the Principal Security Agent by any Holder; or
- (c) BNPP applies for the appointment of an ad hoc representative (*mandataire ad hoc*) under French bankruptcy law, or enters into an amicable procedure (*procédure de conciliation*) with creditors or ceases its payments, or a judgment is issued for the judicial liquidation (*liquidation judiciaire*) of BNPP or for a transfer of the whole of its business (*cession totale de l'entreprise*); or
- (d) the Issuer is subject to proceedings similar to those set out in Collateral Security Condition 6.1(c), or, in the absence of legal proceedings, the Issuer or Guarantor makes a conveyance, assignment or other arrangement for the benefit of its creditors or enters into a composition with its creditors, or a resolution is passed by the Issuer or Guarantor for its winding-up or dissolution, except in connection with a merger or other reorganisation in which all of the Issuer's or the Guarantor's assets are transferred to, and all of the Issuer's or Guarantor's debts and liabilities (including the Secured Securities) are assumed by, another entity which continues the Issuer's or Guarantor's activities.

Any such Enforcement Notice shall be promptly given to the Holders in accordance with Security Condition 10.

## 6.2 Enforcement

The Collateral Agent shall not be bound to take any action under or in connection with any of the Pledge Agreements (including without limitation enforcing the Pledge(s) upon the Pledge(s) becoming enforceable)

(i) unless a Holder has given written notice to each of the Issuer, the Collateral Agent and the Principal Security Agent that an Event of Default has occurred, no Event Dispute Notice in respect of such Default Notification has been received by the Collateral Agent at or prior to the end of the Dispute Period and the Collateral Agent has, as a result, delivered an Enforcement Notice to each of the Issuer, the Principal Security Agent, the Collateral Custodian, the Swap Counterparty (if any) and Repo Counterparty (if any) with a copy delivered to the Holders or (ii) if the Collateral Agent reasonably believes that it (x) would not be able to recover its costs or other liabilities which would be incurred in connection with such action from the relevant Collateral Assets or otherwise or (y) would experience an unreasonable delay in doing so.

Upon the occurrence of an Enforcement Event in respect of any series of Secured Securities, the Collateral Agent shall enforce the Pledges in accordance with the Pledge Agreements. No Holder shall be entitled to enforce the Pledges or to proceed directly against the Issuer to enforce the other provisions of the Pledge Agreements unless the Collateral Agent, having become bound so to enforce or to proceed, fails so to do within a reasonable time and such failure is continuing or the Collateral Agent is prevented from doing so by any court order. In connection with the enforcement of the Pledges, and after the realisation and liquidation in full of all the Collateral Assets in a Collateral Pool and, where Physical Delivery of Collateral is not

applicable, the Collateral Agent shall determine the Security Termination Amount (and, if applicable, any Shortfall) in respect of each Secured Security and shall notify such amounts to the Holders following such realisation and liquidation. Upon the occurrence of an Enforcement Event, the Collateral Calculation Agent shall provide details to the Collateral Agent of the valuation of the Collateral Assets and the Secured Securities (to the extent applicable) determined for the purposes of Collateral Security Condition 3.2 as at the immediately preceding Collateral Valuation Date (if any).

Where the Secured Securities become due and payable at their Security Termination Amount in accordance with Collateral Security Condition 6.1, no amounts other than the relevant Security Termination Amount (including any related Shortfall payable in respect thereof) will be payable in respect of each Secured Security.

Where Physical Delivery of Collateral and Nominal Value Collateralisation is applicable to a series of Secured Securities or there is recourse only to the proceeds of sale of the Collateral Assets, upon delivery of the relevant Collateral Assets (and payment of any Rounding Amount due in respect of such delivery) or payment of the proceeds of sale and any Rounding Amount, no further amount will be due to the Holders of such Secured Securities. In all other cases, in the event that the Realisation Amount is insufficient to pay the Security Termination Amount due to a Holder in full or the value of Collateral Assets delivered is less than the Security Termination Amount, the Issuer shall remain liable for the Shortfall and, in the event that the Issuer fails to make payment of the Shortfall as and when it becomes due, the Guarantor will be liable for such Shortfall pursuant to the terms of the relevant Guarantee applicable to such Secured Securities. No Holder shall be entitled to have recourse to the Collateral Assets contained in a Collateral Pool other than the Collateral Pool which relates to the Secured Securities it holds.

### 6.3 Cancellation

Where Physical Delivery of Collateral is not applicable to a series of Secured Securities, following payment in full by the Issuer and/or the Guarantor of the Shortfall (if any) in respect of a Secured Security and/or payment to the Holder of a Secured Security of an amount in aggregate equal to the Security Termination Amount the relevant Secured Security shall be deemed to have been cancelled. Where Physical Delivery of Collateral is applicable to a series of Secured Securities, following delivery to the Holder of a Secured Security of Collateral Assets in an amount equal to the relevant Delivery Share by the Collateral Agent (together with any Rounding Amount payable) and, where applicable, payment in full by the Issuer and/or the Guarantor of the Shortfall (if any) in respect of such Secured Security, the relevant Secured Security shall be deemed to have been cancelled.

## 7. Additional Disruption Events

### 7.1 The following changes will apply to Security Condition 15:

- (a) The definition of Additional Disruption Events in Security Condition 15.1 shall be deleted and replaced with the following:

**"Additional Disruption Event"** means each of Change in Law, Hedging Disruption, Collateral Disruption and Increased Cost of Collateral Assets, unless specified otherwise in the applicable Final Terms;"

- (b) The following definitions shall be deemed to have been inserted in Security Condition 15.1 after the definition of a Cancellation Event and before the definition of Change in Law:

**"Collateral Asset Default"** means, in respect of a series of Secured Securities, any Collateral Asset in the Collateral Pool which secures such series of Secured Securities becomes due and payable on a date prior to its stated maturity date for any reason (including by reason of default in payment) or

where the Collateral Asset is a cash deposit, there is a failure by the bank with which such deposit is held to pay any amount in respect of such deposit or the deposit becomes repayable on a date prior to its stated repayment date for any reason;

**"Collateral Asset Issuer Default"** means, in respect of a series of Secured Securities (a) any of the Collateral Assets in the Collateral Pool which secures such series of Secured Securities become due and payable on a date prior to their stated maturity date for any reason (including by reason of default in payment), (b) a failure by the Collateral Asset Issuer to (i) pay on the due date any amount due or (ii) perform any of its other obligations, in the case of both (i) and (ii), in respect of the Collateral Assets or (c) any rescheduling, Restructuring, subordination, exchange or material amendment is announced by the Collateral Asset Issuer or any governmental authority or occurs, in respect of the Collateral Assets;

**"Collateral Disruption"** means 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 obtain Collateral Assets; (b) freely realise, recover, remit, receive, re-patriate or transfer the proceeds of any such transactions(s) or assets(s) or futures or option contract(s) or any relevant hedge positions relating to the Collateral Assets (including without limitation as a result of adverse market conditions or a lack of liquidity in the market) or (c) acquire or substitute any Collateral Assets (including without limitation as a result of adverse market conditions or a lack of liquidity in the market);".

- (c) The following definition shall be deemed to have been inserted in Security Condition 15.1 after the definition of Hedging Shares and before the definition of Increased Cost of Hedging:

**"Increased Cost of Collateral Assets"** 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, fee (other than brokerage commissions) or other relevant cost (including, for the avoidance of doubt, any funding cost) to (a) acquire, borrow, substitute, or dispose of any Collateral Assets, (b) establish, re-establish, substitute, maintain, unwind or dispose of any transaction entered into by the Issuer or any of its Affiliates in connection with the Collateral Assets or (c) realise, recover or remit the proceeds of any such Collateral Assets, 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 Collateral Assets;".

- (d) The definition of Optional Additional Disruption Events in Security Condition 15.1 shall be deleted and replaced with the following:

**"Optional Additional Disruption Event"** means any of Cancellation Event, Collateral Asset Default, Collateral Asset Issuer Default, Currency Event, Extraordinary External Event Failure to Deliver due to Illiquidity, Increased Cost of Hedging, Increased Cost of Stock Borrow, Jurisdiction Event, Insolvency Filing, Loss of Stock Borrow, Stop-Loss Event and/or Significant Alternative Event, in each case if specified in the applicable Final Terms;".

- (e) The following definition shall be deemed to have been inserted in Security Condition 15.1 after the definition of Optional Additional Disruption Event and before the definition of Stop-Loss Event:

**"Restructuring"** means the occurrence of any one or more of the following events with respect to the Collateral Assets:

- (i) a reduction in the amount of principal or premium payable at maturity or at scheduled redemption dates;

- (ii) a postponement or other deferral of a date or dates for the payment of principal or premium;
- (iii) a change in the ranking in priority of payment of the Collateral Assets causing the subordination of the Collateral Assets to any other obligation under which the Collateral Asset Issuer is an obligor; or
- (iv) any change in the currency or composition of any payment of principal under the Collateral Assets,

provided that, in the case of each of (i) to (iv) above:

- (a) such event is not due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; and
  - (b) such event directly or indirectly results from a deterioration in the creditworthiness or financial condition of the Collateral Asset Issuer;"
- (f) Notwithstanding the first sentence of Security Condition 15.2, upon the occurrence of an Additional Disruption Event which is either a Collateral Disruption or an Increased Cost of Collateral Assets, the Issuer, in its sole and absolute discretion, may take the action described in Security Condition 15.2(b) and (c).

7.2 The following shall apply where an Optional Additional Disruption Event occurs which is a Collateral Asset Default or Collateral Asset Issuer Default (as applicable) and Security Condition 15 shall not apply in connection with such Optional Additional Disruption Event.

- (a) **This section has intentionally been left blank**
- (b) Where the relevant Collateral Asset(s) have become due and repayable other than by reason of default in payment, upon becoming aware of such event, the Issuer will, on giving such period of notice (in accordance with Security Condition 10) as expires not more than ten nor less than five Business Days following the date upon which the Issuer receives the redemption proceeds of such Collateral Asset(s) or where the Collateral Asset is a deposit, the date on which the Issuer receives the amount due to it on such repayment of the deposit, cancel the Secured Securities. If the Securities are so cancelled the Issuer will pay an amount to each Holder in respect of each Security or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, held by him which amount shall be equal to such Secured Security's Collateral Early Settlement Amount.
- (c) Where the Collateral Asset has become due and repayable by reason of default in payment by the obligor of such Collateral Asset continuing after the expiry of any applicable grace period,
  - (i) **This section has intentionally been left blank**
  - (ii) (x) the Issuer shall as soon as reasonably practicable arrange for the sale of such Collateral Assets (and in connection therewith may appoint an agent to assist it in arranging such sale) in accordance with the manner of sale set out in Collateral Security Condition 3.3 (and for such purposes any reference in such Collateral Security Condition 3.3 to the Collateral Agent shall be deemed to be a reference to the Issuer or any agent it appoints to assist it in arranging such sale) or where the Collateral Asset is a cash deposit, the Issuer shall seek to recover amounts from the deposit or sell its rights to such deposit and the Issuer shall give notice in accordance with Security Condition 10 that each Warrant is to be cancelled at its Collateral Early Settlement Amount pursuant to this Collateral Security Condition 7.2(c)(ii) following receipt of the realisation proceeds of the Collateral Assets and (y) upon receipt of

such proceeds, of the date upon which the relevant Secured Securities are to be redeemed (which date shall be not more than ten nor less than five Business Days following receipt of such proceeds) and in connection with such cancellation of each relevant Secured Security, the Issuer shall pay an amount equal to such Secured Security's Collateral Early Settlement Amount; or

- (iii) where Collateral Physical Settlement has been specified as applicable in the applicable Final Terms, the Issuer shall as soon as reasonably practicable deliver the Collateral Assets to the Holders. In such case, Security Conditions 21, 23 and 24 (as modified by these Collateral Security Conditions) shall apply and, for such purposes, the Securities shall be deemed to be Physical Delivery Securities and the Entitlement in respect of a Security shall be deemed to be the Security's *pro rata* share of the Collateral Assets held by the Issuer in respect of the relevant Collateral Pool provided that Secured Securities held by the same Holder will be aggregated for the purpose of determining the aggregate Entitlements in respect of the Secured Securities and provided further that the aggregate Entitlements in respect of the same Holder will be rounded down to the nearest whole unit of the Collateral Assets and fractions of the Collateral Assets will not be delivered, as set out in Security Condition 23.3. Delivery of the Entitlement shall satisfy the Issuer's obligations in full in respect of the relevant Secured Securities.

(d) **This section has intentionally been left blank**

- (e) Where Collateral Physical Settlement has been specified as applicable in the applicable Final Terms and a Settlement Disruption Event occurs, Security Condition 5.1 shall apply provided that the Disruption Cash Settlement Price will be equal to the Disruption Cash Settlement Price specified in the applicable Final Terms.

- (f) If a Collateral Asset Default or a Collateral Asset Issuer Default, as the case may be, occurs, the Issuer will procure that any Affiliate which is holding Secured Securities of the relevant series shall deliver these to the Issuer and the Issuer will cancel such Secured Securities together with any Secured Securities which it is holding itself free of payment.

7.3 **This section has intentionally been left blank**

7.4 For the purpose of Collateral Security Condition 7.2(b) and 7.2(c)(ii), the "**Collateral Early Settlement Amount**" in respect of each Security will be:

- (a) Where "Default Redemption" is specified as applicable in the applicable Final Terms, the Security Realised Amount in respect of such Security (determined in accordance with Collateral Security Condition 3) or where Collateral Security Condition 7.2(b) is applicable, such Secured Security's pro rata share of (i) the redemption proceeds or, (ii) where the Collateral Asset is a cash deposit, and the Issuer receives the amount due to it on the relevant repayment of the deposit, the amount received by the Issuer in respect of the relevant Collateral Assets; or
- (b) where "Option Value Redemption" is specified as applicable in the applicable Final Terms:
  - (i) the Security Realised Amount in respect of such Security (determined in accordance with Collateral Security Condition 3) or where Collateral Security Condition 7.2(b) is applicable, such Secured Security's pro rata share of (A) the redemption proceeds or, (B) where the Collateral Asset is a cash deposit, and the Issuer receives the amount due to it on the relevant repayment of the deposit, the amount received by the Issuer in respect of the relevant Collateral Assets; plus



- (ii) an amount equal to the Option Value Amount.

**8. This section has intentionally been left blank**

**9. Exercise Rights**

- 9.1 The first paragraph of Security Condition 23.2 (Cash Settlement) shall not apply and shall be replaced with the following:

"If the Warrants are Cash Settled Warrants, each such Warrant or, if Units are specified in the applicable Final Terms, each Unit entitles its Holder, upon due exercise and subject, in the case of Warrants represented by a Clearing System Global Warrant, other than a Rule 144A Global Warrant, or a Registered Warrant, to certification as to non-U.S. beneficial ownership, and, in the case of Warrants represented by Rule 144A Global Warrants and Private Placement Definitive Warrants, to such certifications as to compliance with U.S. securities laws as the Issuer shall require or as shall be set out in the applicable Final Terms, to receive from the Issuer on the Settlement Date (provided that no Enforcement Event has occurred) the Cash Settlement Amount."

- 9.2 The first paragraph of Security Condition 23.3 (Physical Settlement) shall not apply and shall be replaced with the following:

"If the Warrants are Physical Delivery Warrants, each such Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, entitles its Holder, upon due exercise and subject, in the case of Warrants, represented by a Clearing System Global Warrant, other than a Rule 144A Global Warrant, or a Registered Warrant, to certification as to non-U.S. beneficial ownership and, in the case of Warrants represented by a Rule 144A Global Warrant or a Private Placement Definitive Warrant, to such certifications as to compliance with U.S. securities laws as the Issuer shall require or as shall be set out in the applicable Final Terms, to receive from the Issuer on the Settlement Date (provided no Enforcement Event has occurred) the Entitlement subject to payment of the relevant Exercise Price and any other sums payable. The method of delivery of the Entitlement is set out in the applicable Final Terms."

## **Part B**

**This section has intentionally been left blank**



## Part C

This Part C shall only apply if the Final Terms of the Securities specify that Part C of Annex 13 (Additional Terms and Conditions for Secured Securities) applies. Where this Part C applies, for the avoidance of doubt, the terms of Part A of Annex 13 shall not apply to the Securities.

### 1. Definitions

**"Additional Security Document"** means any security document which is entered into by the Issuer in respect of a Collateral Pool in addition to a Pledge Agreement;

**"Aggregate Cash Settled Final Security Value"** means, in respect of a Collateral Pool, the sum of the Aggregate Final Security Values of each series of Secured Securities secured by such Collateral Pool to which Collateral Cash Settlement is applicable;

**"Aggregate Collateral Proceeds Share"** means, in respect of a series of Secured Securities, the product of the Collateral Percentage applicable to such series of Secured Securities and the Realisation Amount in respect of the Collateral Pool which secures such series of Secured Securities;

**"Aggregate Delivery Share"** means, in respect of a series of Secured Securities, the product of the Collateral Percentage applicable to such series of Secured Securities and the Collateral Assets Value in respect of the Collateral Pool which secures such series of Secured Securities;

**"Aggregate Final Security Value"** means, in respect of a series of Securities, the aggregate of the Final Security Values of each Secured Security in such series of Secured Securities;

**"Aggregate Physically Settled Final Security Value"** means, in respect of a Collateral Pool, the Aggregate Final Security Values of each series of Secured Securities secured by such Collateral Pool to which Physical Delivery of Collateral is applicable;

**"Alternative Security Document"** means any security document which is entered into by the Issuer in respect of a Collateral Pool as an alternative to a Pledge Agreement;

**"BNPP Holding"** means, at any time, in respect of a series of Secured Securities, the number of Secured Securities held by the Issuer and/or any Affiliate(s) of the Issuer;

**"Cash Portion Percentage"** means in respect of a Collateral Pool, the amount (expressed as a percentage) equal to the Aggregate Cash Settled Final Security Value applicable to such Collateral Pool divided by Pool Aggregate Final Security Value;

**"Cash Settled Portion"** means an amount equal to the product of the Cash Portion Percentage and the Collateral Assets Value;

**"Cash Settled Portion Assets"** means Collateral Assets in a nominal amount equal to the Cash Settled Portion (where Nominal Value Collateralisation or Partial Nominal Value Collateralisation is applicable) or with a marked to market value equal to the Cash Settled Portion (where MTM Collateralisation or Partial MTM Collateralisation is applicable);

**"Collateral Account"** has the meaning given to it in Collateral Security Condition 3.2;

**"Collateral Agent"** means BNP Paribas Trust Corporation UK Limited, or such other entity as is specified in the applicable Final Terms, and, if applicable, any sub-agent of, or any other entity appointed by the Collateral Agent;

**"Collateral Assets"** means any Eligible Collateral, including any Initial Collateral Assets specified in the applicable Final Terms (if any) and any Eligible Collateral delivered to the Collateral Custodian as additional or alternative Collateral Assets, together with, in each case, any accrued interest, redemption proceeds, income or other assets derived from such Eligible Collateral to the extent held in the relevant Collateral Account but shall not include any Collateral Assets which have been withdrawn from a Collateral Account in accordance with the relevant Pledge Agreement and the Agency Agreement;

**"Collateral Assets Value"** means, in respect of a Collateral Pool, (i) an amount equal to the aggregate nominal amount of Collateral Assets held by the Issuer in the Collateral Account in respect of such Collateral Pool where Nominal Value Collateralisation and/or Partial Nominal Value Collateralisation are applicable to each series of Secured Securities secured by the relevant Collateral Pool or (ii) an amount equal to the aggregate marked to market value (as determined by the Collateral Agent) of the Collateral Assets held by the Issuer in the Collateral Account in respect of such Collateral Pool, where MTM Collateralisation and/or Partial MTM Collateralisation are applicable to each series of the Secured Securities secured by the relevant Collateral Pool;

**"Collateral Calculation Agent"** means BNP Paribas Arbitrage S.N.C. or such other entity specified in the applicable Final Terms;

**"Collateral Cash Settlement"** means, following the occurrence of an Enforcement Event, realisation of all or certain of the Collateral Assets is to take place in accordance with Collateral Security Condition 3.3 and Collateral Cash Settlement shall apply to each series of Secured Securities where the Final Terms provide that it shall apply;

**"Collateral Custodian"** means BNP Paribas Securities Services, Luxembourg Branch and/or such other entity as is specified in the applicable Final Terms, and, if applicable, any sub-custodian of, or any other entity appointed by the Collateral Custodian;

**"Collateral Enforcement Proceeds"** means the net proceeds of realisation of, or enforcement with respect to, the Collateral Assets in a Collateral Pool following payment of all Enforcement Expenses;

**"Collateral Percentage"** means, in respect of a series of Secured Securities, the amount (expressed as a percentage) equal to the Aggregate Final Security Value applicable to such series of Secured Securities divided by the Pool Aggregate Final Security Value applicable to the Collateral Pool which secures such series of Secured Securities;

**"Collateral Pool"** means a pool of Collateral Assets (including a cash deposit) held in a Collateral Account which secure one or more series of Secured Securities as specified in the applicable Final Terms;

**"Collateral Proceeds Share"** means, in respect of a series of Secured Securities, the pro rata share of a Secured Security within such series in the Aggregate Collateral Proceeds Share applicable to such series of Secured Securities;

**"Collateral Settlement Disruption Event"** means due to an event beyond the control of the Collateral Agent, the Collateral Agent determines it is impossible or illegal for the Collateral Agent to deliver the relevant Entitlement to a Holder on the related Collateral Delivery Date due to failure of the relevant clearance system or due to any law, regulation, court order or market conditions;

**"Collateral Split Rounding Amount"** has the meaning given to it in Collateral Security Condition 3.8;

**"Collateral Valuation Date"** means a date on which the Collateral Calculation Agent determines the marked to market value of the Collateral Assets in the relevant Collateral Pool and, if MTM Collateralisation or Partial MTM Collateralisation is specified in the applicable Final Terms, the marked to market value of the relevant Secured Securities, on such periodic basis as is specified in the applicable Final Terms;

**"Collateral Value"** means the Cash Collateral Value or the Securities Collateral Value, as the case may be;

**"Collective Investment Scheme"** means any scheme or arrangement made or offered by any company, under which the contributions or payments made by investors are pooled and utilised with a view to receiving profits, income, property or other benefit and managed on behalf of investors;

**"Delivery Share"** means, in respect of a series of Secured Securities, the pro rata share of a Secured Security within such series in the Aggregate Delivery Share applicable to such series of Secured Securities;

**"Default Notification"** means the delivery of a written notice by a Holder to each of the Issuer, the Principal Security Agent, the Collateral Agent, the Swap Counterparty (if any) and the Repo Counterparty (if any) specifying that an Event of Default has occurred in accordance with Collateral Security Condition 6.1;

**"Dispute Period"** means the period commencing on the day on which the Collateral Agent receives a Default Notification and ending at 5:00 pm (Paris time) on the fifth Business Day following such receipt;

**"Eligible Collateral"** means assets which may comprise a cash deposit, bonds or notes listed on a regulated market, shares listed on a regulated market, shares, units or other interests in a Collective Investment Scheme and/or other assets of the type or types specified as such in the applicable Final Terms and which are specified in the applicable Final Terms to be Eligible Collateral for the relevant Collateral Pool;

**"Enforcement Event"** means the delivery of an Enforcement Notice by the Collateral Agent to each of the Issuer, the Principal Security Agent, the Collateral Custodian, the Swap Counterparty (if any) and Repo Counterparty (if any);

**"Enforcement Expenses"** means all amounts due to the Collateral Agent and/or any appointee or agent thereof, including any costs, expenses and taxes incurred in connection with the realisation of, or enforcement with respect to the Collateral Assets in a Collateral Pool and distribution of such proceeds and/or, where applicable, delivery of Collateral Assets to the Holders of the related Secured Securities and any other unpaid amounts payable to the Collateral Agent by the Issuer under the Agency Agreement;

**"Enforcement Notice"** means a notice specifying that a Default Notification has been received from a Holder and no Event Dispute Notice has been received from the Issuer within the Dispute Period with respect to such Default Notification and that, as a result, the Secured Securities are immediately due and payable;

**"Event Dispute Notice"** means a notice from the Issuer to the Collateral Agent following receipt of a Default Notification specifying that the Issuer reasonably believes that the Event(s) of Default which are the subject of such Default Notification have not occurred, together with reasonable evidence supporting the Issuer's belief (including a description in reasonable detail of the facts relevant to the determination that an Event of Default has not occurred);

**"Final Security Value"** means, in respect of a Secured Security (a) if MTM Collateralisation is specified as applicable in the Final Terms relating thereto, the marked to market value of the relevant Secured Security, as determined for the purposes of Collateral Security Condition 3.2 as at the Collateral Valuation Date for the relevant Collateral Pool immediately prior to the occurrence of the Enforcement Event, (b) if Partial MTM Collateralisation is specified as applicable in the Final Terms relating thereto, the product of (i) the marked to market value of the relevant Secured Security, as determined for the purposes of Collateral Security Condition 3.2 as at the Collateral Valuation Date for the relevant Collateral Pool immediately prior to the occurrence of the Enforcement Event and (ii) the Partial Collateralisation Level applicable to the relevant series of Secured Securities, (c) if Nominal Value Collateralisation is specified as applicable in the Final Terms relating thereto, the relevant Secured Security's nominal value or (d) if Partial Nominal Value Collateralisation is specified as

applicable in the applicable Final Terms relating thereto, the product of (i) the nominal value of such Secured Security and (ii) the Partial Collateralisation Level applicable to the relevant series of Secured Securities;

**"Haircut"** means a percentage by which the market value of a Collateral Asset is discounted to mitigate possible depreciation in the value of the relevant Collateral Asset in the period between the last valuation of such Collateral Asset and the realisation of such Collateral Asset.

**"Initial Collateral Assets"** has the meaning given to it in the applicable Final Terms;

**"Issuer"** means BNPP B.V.;

**"Limited Diversification"** means, where specified to be applicable in the applicable Final Terms, that the Collateral Assets within the relevant Collateral Pool are not diversified;

**"MTM Value"** means, in respect of a Secured Security, the marked to market value of such Secured Security (taking into account all factors which the Collateral Agent determines relevant) immediately prior to the occurrence of an Enforcement Event, provided that no account shall be taken of the financial condition of (i) the Issuer which shall be deemed to be able to perform fully its obligations in respect of the Secured Securities or (ii) the Guarantor which shall be deemed to be able to perform fully its obligations in respect of the Guarantee and provided further that where the relevant Secured Security is one to which Cash Settlement is applicable and is a Secured Security in respect of which the Relevant Settlement Date is due to occur on or prior to the date on which the Enforcement Event occurred, the marked to market value of the Secured Security, for the purpose of determining such amount, may not be less than the Relevant Settlement Amount payable in respect thereof;

**"nominal value"** means, in respect of any Secured Security, the Notional Amount of such Secured Security or, where such Secured Security is a Debt Security, its Nominal Amount;

**"Partial Collateralisation Level"** means the percentage specified as such in the applicable Final Terms;

**"Partial Nominal Amount"** means, in respect of a Secured Security, the product of (i) the nominal value of such Secured Security and (ii) the Partial Collateralisation Level applicable to the relevant series of Secured Securities;

**"Physical Delivery of Collateral"** means, following the occurrence of an Enforcement Event, Collateral Assets are to be delivered to the Holders of Secured Securities in accordance with Collateral Security Condition 3.6 and shall only apply to a series of Secured Securities where "Physical Delivery of Collateral" is specified as applicable in the applicable Final Terms;

**"Physical Portion Assets"** means Collateral Assets in a nominal amount equal to the Physically Settled Portion (where Nominal Value Collateralisation or Partial Nominal Value Collateralisation is applicable) or with a marked to market value equal to the Physically Settled Portion (where MTM Collateralisation or Partial MTM Collateralisation is applicable);

**"Physical Portion Percentage"** means, in respect of a Collateral Pool, the amount expressed as a percentage, equal to the Aggregate Physically Settled Final Security Value applicable to such Collateral Pool divided by the Pool Aggregate Final Security Value;

**"Physically Settled Portion"** means an amount equal to the product of the Physical Portion Percentage and the Collateral Asset Value;

**"Placed Secured Securities"** means, at any time, the number of Secured Securities outstanding less the number of any Secured Securities which form part of the BNPP Holding at such time;

**"Pledge"** means the Security Interests created, or intended to be created at any time in favour of the Collateral Agent on behalf of the relevant Holders under the Pledge Agreement relating to a Collateral Pool;

**"Pledge Agreement"** is as defined in Collateral Security Condition 3.2;

**"Pool Aggregate Final Security Value"** means, in respect of a Collateral Pool, the aggregate of the Final Security Values of each Secured Security which is secured by such Collateral Pool;

**"Priority of Payments"** means, in respect of a series of Secured Securities and if specified as applicable in the Final Terms relating thereto, the order of priority in which payments will be made using the Collateral Enforcement Proceeds in respect of such series of Secured Securities, as set out in the applicable Final Terms;

**"Realisation Amount"** means the net proceeds of realisation of, or enforcement with respect to, the Collateral Assets in a Collateral Pool following payment of all Enforcement Expenses and, where applicable, following payment of any amount which is payable in priority to amounts due in respect of the Secured Securities which are secured by such Collateral Pool in accordance with the Priority of Payments;

**"Relevant Settlement Amount"** means Cash Settlement Amount, Optional Redemption Amount, Collateral Early Settlement Amount or the relevant redemption amount payable under the Credit Securities, as the case may be;

**"Relevant Settlement Date"** means Cash Settlement Date, Optional Redemption Date or Settlement Date, as the case may be;

**"Repayable Assets"** has the meaning given to it in Collateral Security Condition 7.2;

**"Rounding Amount"** means the Collateral Split Rounding Amount payable to a Holder in respect of a Secured Security;

**"Securities Collateral Value"** has the meaning given to it in Collateral Security Condition 3.2;

**"Securities Value"** means an amount equal to the sum of, in respect of each series of Secured Securities secured by the same Collateral Pool, (i) the marked to market value of the Secured Securities where MTM Collateralisation is specified in the applicable Final Terms as applicable to such series of Secured Securities, (ii) the product of (A) the marked to market value of the Secured Securities and (B) the relevant Partial Collateralisation Level where Partial MTM Collateralisation is specified in the applicable Final Terms as applicable to such series of Secured Securities, (iii) the aggregate nominal value of the Secured Securities where Nominal Value Collateralisation is specified in the applicable Final Terms as applicable to such series of Secured Securities or (iv) the product of (A) the aggregate nominal value of the Secured Securities and (B) the relevant Partial Collateralisation Level where Partial Nominal Value Collateralisation is specified in the applicable Final Terms as applicable to such series of Secured Securities, provided that any Secured Securities which are, on the relevant Collateral Valuation Date, beneficially owned by BNPP B.V. or any of its Affiliates shall be disregarded as if they did not exist for the purposes of determining such amount;

**"Security Interests"** means any pledge, other encumbrance or security interest created under a Pledge Agreement;

**"Security Realised Amount"** is as defined in Collateral Security Condition 3.5;

**"Security Termination Amount"** means, in respect of a Secured Security, an amount determined by the Collateral Agent equal to:

- (a) if Security Value Termination Amount is specified in the applicable Final Terms, the MTM Value of such Secured Security;

- (b) if Security Value Realisation Proceeds is specified in the applicable Final Terms, such Secured Security's pro rata share of the Realisation Amount subject to a maximum amount equal to the MTM Value of such Secured Security;
- (c) if Nominal Value Realisation Proceeds is specified in the applicable Final Terms, the Secured Security's pro rata share of the Realisation Amount subject to a maximum amount equal to the nominal value of such Secured Security;
- (d) if Partial Nominal Value Realisation Proceeds is specified in the applicable Final Terms, the Secured Security's pro rata share of the Realisation Amount subject to a maximum amount equal to the product of (i) the nominal value of such Secured Security and (ii) the Partial Collateralisation Level applicable to the relevant series of Secured Securities;
- (e) if Nominal Value Amount is specified in the applicable Final Terms, the nominal value of such Secured Security;
- (f) if Shortfall Value Amount is specified in the applicable Final Terms, the sum of (i) the lower of (A) such Secured Security's pro rata share of the Realisation Amount and (B) the product of (I) the nominal value of such Secured Security and (II) the Partial Collateralisation Level applicable to the relevant series of Secured Securities and (ii) an amount, subject to a minimum of zero, equal to the MTM Value of such Secured Security less the Partial Nominal Amount; or
- (g) the amount specified as such in the Final Terms applicable to such Secured Security;

"**Shortfall**" is as defined in Collateral Security Condition 3.5; and

"**Undeliverable Collateral Assets**" means Collateral Assets which the Collateral Agent is unable to deliver in accordance with Collateral Security Condition 3.6 due to the occurrence of a Collateral Settlement Disruption Event.

## 2. General

### 2.1 Collateral Calculation Agent

BNP Paribas Arbitrage S.N.C. shall undertake the duties of Collateral Calculation Agent in respect of the Secured Securities as set out below and in the applicable Final Terms unless another entity is so specified as collateral calculation agent in the applicable Final Terms. The expression "Collateral Calculation Agent" shall, in relation to the relevant Secured Securities, include such other specified collateral calculation agent.

### 2.2 Collateral Agent

BNP Paribas Trust Corporation UK Limited shall undertake the duties of Collateral Agent in respect of the Secured Securities as set out below and in the applicable Final Terms unless another entity is so specified as collateral agent in the applicable Final Terms. The expression "Collateral Agent" shall, in relation to the relevant Secured Securities, include such other specified collateral agent.

### 2.3 Pledge Agreement

The Pledge Agreement will, unless otherwise specified in the applicable Final Terms, be governed by Luxembourg law and Security Conditions 14.1 and 14.2 shall be construed accordingly. Any Alternative Security Document or Additional Security Document will be governed by the law specified in the applicable Final Terms.



### 3. Status of the Secured Securities, Security and Guarantee

#### 3.1 Status

Security Condition 3 shall not apply to the Secured Securities. The Secured Securities are unsubordinated and secured obligations of the Issuer and rank pari passu among themselves.

#### 3.2 Security

The obligations of the Issuer in respect of the Secured Securities will be secured by one or more pledge agreements between the Issuer and the Collateral Agent (each a "**Pledge Agreement**") pursuant to which the Issuer will grant a first ranking security interest in favour of the Collateral Agent, for itself and on behalf of the Holders of the Secured Securities which are to be secured by the relevant Collateral Pool, over all the Issuer's rights in, and, to the Collateral Assets delivered to each of the Collateral Custodians appointed in respect of the relevant Collateral Pool and held from time to time in the relevant account(s) established with the Collateral Custodian(s) for such purpose (such account(s), the "**Collateral Account**"). The Issuer will not deliver Eligible Collateral to the Collateral Account in connection with Secured Securities in respect of which the Issuer or any of its Affiliates are the beneficial owner. In addition to, or as an alternative to, a Pledge Agreement, the Issuer may also enter into an Additional Security Document or Alternative Security Document in respect of a Collateral Pool as specified in the applicable Final Terms in order to secure its obligations in respect of the Secured Securities and references in Collateral Security Condition 1 and hereinafter to "Pledge Agreement" and "Pledges" shall be construed as if they also refer to such Alternative Security Documents and/or Additional Security Documents. Unless the applicable Final Terms specify that there is no Collateral Calculation Agent and/or no Collateral Valuation Dates in respect of a series of Secured Securities and related Collateral Pool:

- (a) where the Collateral Assets are securities, the Issuer will transfer Collateral Assets to and from the Collateral Account (based on the most recent valuation provided by the Collateral Calculation Agent in respect of a Collateral Valuation Date) so that it will hold, in respect of a Collateral Pool, Collateral Assets with an aggregate marked to market value (as determined by the Collateral Calculation Agent and which will take into account a Haircut if "Haircut" is specified as applicable in the applicable Final Terms) (the "**Securities Collateral Value**") at least equal to the Securities Value (as determined in respect of such Collateral Valuation Date) applicable to the relevant Collateral Pool; and
- (b) where the Collateral Assets are a cash deposit or deposits, the Issuer will transfer Collateral Assets to and from the Collateral Account (based on the most recent valuation of the relevant series of Secured Securities provided by the Collateral Calculation Agent in respect of a Collateral Valuation Date) so that it will hold, in respect of a Collateral Pool, Collateral Assets in an amount (the "**Cash Collateral Value**") at least equal to the Securities Value (as determined in respect of such Collateral Valuation Date) applicable to the relevant Collateral Pool.

For the avoidance of doubt, where no Collateral Calculation Agent and/or no Collateral Valuation Dates are specified in the applicable Final Terms for a Collateral Pool, there will be no adjustment made by the Issuer to the amount of Collateral Assets held by the Issuer in the relevant Collateral Account and the Collateral Value and Securities Value will not be calculated on an ongoing basis during the terms of the relevant Secured Securities which are secured by the relevant Collateral Pool.

Where the Final Terms in respect of a series of Secured Securities specify that "Single Series Pool" will be applicable to the series of Secured Securities, such series of Secured Securities will be the only series of Secured Securities to be secured by the relevant Collateral Pool. Where the Final Terms specify that "Multiple Series Pool" will be applicable to the relevant series of Secured Securities, such series of Secured Securities may be secured by a Collateral Pool which secures more than one series of Secured Securities.

### 3.3 Realisation of Collateral Assets

If an Enforcement Event occurs, the Collateral Agent shall enforce the Pledge(s) and, unless Physical Delivery of Collateral is specified as applicable in the applicable Final Terms, realise the Collateral Assets in each Collateral Pool (and may appoint one or more agents to assist it to do so) provided that the Collateral Agent need not take such action if it reasonably believes that it would not be able to recover the costs or other liabilities which would be incurred in connection with such action from the relevant Collateral Assets or otherwise or would experience an unreasonable delay in doing so. The Collateral Agent will not have any liability as to the consequences of such action and will not have regard to the effect of such action on individual Holders. Any reference in Collateral Security Conditions 3.3-3.8 (inclusive), Collateral Security Condition 6 and Collateral Security Condition 7 to the Collateral Agent shall also be deemed to be a reference to any agent which it appoints to assist it. Where the Collateral Agent is required to dispose of any Collateral Assets on behalf of the Issuer then:

- (a) the Collateral Agent shall seek firm bid quotations from at least three dealers in assets such as the relevant Collateral Assets (and, for such purpose, it may seek quotations in respect of such Collateral Assets in their entirety or in respect of designated tranches thereof, as it considers appropriate);
- (b) the Collateral Agent may itself provide a bid in respect of the relevant Collateral Assets or any tranche thereof; and
- (c) it shall and shall be authorised to accept in respect of each relevant tranche or, as applicable, the entirety of the relevant Collateral Assets the highest such quotation so obtained (which may be a quotation from the Collateral Agent).

Subject as may otherwise be provided for in these Collateral Security Conditions or the Final Terms, in effecting the sales, the Collateral Agent may sell the Collateral Assets in one single tranche or in smaller tranches as it considers appropriate in order to attempt reasonably to maximise the proceeds from such sale. The Collateral Agent may effect sales of the Collateral Assets (i) on any national securities exchange or quotation service on which the Collateral Assets may be listed or quoted, (ii) in the over-the-counter market or (iii) in transactions otherwise than on such exchanges or in the over-the-counter market. If (A) the Collateral Agent is unable to obtain any quotations for the sale of the Collateral Assets or (B) the Collateral Agent is offering to buy the Collateral Assets itself for its own account for a price equal to or higher than the best quotation from a third party, the Collateral Agent may effect sales of the Collateral Assets to itself.

### 3.4 Application of proceeds

Following payment of (a) all amounts due to the Collateral Agent and/or any agent appointed by it to assist in the enforcement of the Pledge(s) and realisation of the Collateral Assets, including any Enforcement Expenses and (b) any other amounts which are payable in accordance with, and in the order set out in, the applicable Priority of Payments (if any), the remaining proceeds from the realisation of the Collateral Assets in a Collateral Pool will be applied in meeting the claims of Holders under the Secured Securities which are secured by the relevant Collateral Pool on a pari passu basis where each Secured Security's share of such proceeds shall be determined on the basis of such Secured Security's Collateral Proceeds Share provided that a Holder shall not be entitled to receive an amount in respect of a Secured Security greater than the Security Termination Amount determined with respect to such Secured Security.

### 3.5 Shortfall

In the event that, following the application of the Collateral Enforcement Proceeds in accordance with Collateral Security Condition 3.4, the amount paid to a Holder in respect of a Secured Security held by him (a "Security Realised Amount") is less than the Security Termination Amount determined with respect to such



Secured Security (the difference being referred to as a "**Shortfall**"), the Issuer shall remain liable for such Shortfall, but any such Holder shall not have recourse to any Collateral Pool other than the Collateral Pool applicable to that series of Secured Securities.

### 3.6 Physical Delivery of Collateral Assets

Where "Physical Delivery of Collateral" is specified in the applicable Final Terms, following enforcement of the Pledge(s), the Collateral Agent, will deliver the Collateral Assets in a Collateral Pool to each Holder of a Secured Security secured by the relevant Collateral Pool in a nominal amount equal to the Delivery Share applicable to such Secured Security on a pari passu basis (where Nominal Value Collateralisation or Partial Nominal Value Collateralisation apply to the relevant Secured Securities) or with a marked to market value equal to the Delivery Share applicable to such Secured Security on a pari passu basis (where MTM Collateralisation or Partial MTM Collateralisation apply to the relevant Secured Securities). Delivery of such Collateral Assets and payment of any Rounding Amount will fully extinguish the Issuer's obligations in respect of the relevant Secured Securities notwithstanding that the value of the Collateral Assets (together with Rounding Amount) so delivered may be less than the market value and/or nominal value of the relevant Secured Security. The Shortfall and the Security Termination Amount in respect of each such Secured Security shall be equal to zero provided that, unless specified otherwise in the applicable Final Terms, where MTM Collateralisation, Partial MTM Collateralisation or Partial Nominal Value Collateralisation is applicable, a Shortfall shall be calculated in accordance with Collateral Security Condition 3.5 where, for such purpose, the Security Realised Amount will be equal to the sum of any Rounding Amount due to the Holder and the marked to market value of the Collateral Assets actually delivered to the Holder (on the basis of the marked to market values of the relevant Collateral Assets determined by the Collateral Agent, as of the relevant date of such delivery) and the Security Termination Amount will be as set out in the applicable Final Terms.

Where delivery of the Collateral Assets is due to be made in respect of Securities, Security Conditions 21, 23 and 24 (as modified by these Collateral Security Conditions) shall apply and, for such purposes, the Securities shall be deemed to be Physical Delivery Securities and the Entitlement shall be deemed to be a Security's Delivery Share.

In connection with such delivery, (i) Security Condition 5 (General Provisions relating to Settlement in respect of Securities) shall not apply, (ii) for the purposes of Security Condition 11.1, Security Expenses shall be deemed to include any Enforcement Expenses which are incurred in delivery of the Collateral Assets in accordance with this Collateral Security Condition 3.6, (iii) the Collateral Agent shall be entitled to deduct from the assets deliverable to Holders all Security Expenses not previously deducted from amounts paid or assets delivered to Holders, as the Collateral Agent shall in its sole and absolute discretion determine are attributable to the relevant Secured Securities and (iv) any reference in the Security Conditions to "Relevant Assets" shall be deemed, in connection with a delivery of Collateral Assets in accordance with this Collateral Security Condition 3.6, to be a reference to "Collateral Assets".

Where Physical Delivery of Collateral is applicable to any series of Secured Securities secured by a Collateral Pool either (A) MTM Collateralisation or Partial MTM Collateralisation must apply to each series of Secured Securities secured by the same Collateral Pool or (B) Nominal Value Collateralisation or Partial Nominal Value Collateralisation must apply to each series of Secured Securities secured by the same Collateral Pool.

### 3.7 Settlement Disruption

If, in the opinion of the Collateral Agent, delivery of the Entitlement following the occurrence of an Enforcement Event using the method of delivery specified in the applicable Final Terms, or such other commercially reasonable manner as the Collateral Agent has determined, is not practicable by reason of a Collateral Settlement Disruption Event (as defined above) having occurred and continuing on any Collateral

Delivery Date then such Collateral Delivery Date, for such Secured Securities shall be postponed to the first following Business Day in respect of which there is no such Collateral Settlement Disruption Event, provided that the Collateral Agent may elect in its sole discretion to deliver the Entitlement in such other commercially reasonable manner as it may select and in such event the Collateral Delivery Date shall be such day as the Collateral Agent deems appropriate in connection with delivery of the Entitlement in such other commercially reasonable manner. For the avoidance of doubt, where a Collateral Settlement Disruption Event affects some but not all of the Collateral Assets comprising the Entitlement, the Collateral Delivery Date for the Collateral Assets not affected by the Collateral Settlement Disruption Event will be the originally designated Collateral Delivery Date.

If delivery of the relevant Entitlement is not possible due to the occurrence of a Collateral Settlement Disruption Event, for a period of greater than eight Business Days (or such other period specified in the Final Terms), then in lieu of physical settlement and notwithstanding any other provision hereof, the Collateral Agent shall sell or realise the Undeliverable Collateral Assets in the manner set out in Collateral Security Condition 3.3. The Collateral Agent shall give notice as soon as practicable to the Holders in accordance with Security Condition 10 that a Collateral Settlement Disruption Event has occurred. No Holder shall be entitled to any payment in respect of the relevant Secured Security or, if applicable, Unit, as the case may be, in the event of any delay in the delivery of the Entitlement due to the occurrence of a Collateral Settlement Disruption Event and no liability in respect thereof shall attach to the Issuer, the Guarantor or the Collateral Agent.

### 3.8 Cash Collateral Settlement and Physical Delivery of Collateral

Where both Physical Delivery of Collateral and Collateral Cash Settlement apply to different series of Secured Securities which are secured by the same Collateral Pool, following the occurrence of an Enforcement Event, the following provisions shall apply:

- (a) The Collateral Agent shall first value, or appoint an agent to undertake such valuation on its behalf, the Collateral Assets in the relevant Collateral Pool in order to determine the Collateral Assets Value.
- (b) The Collateral Agent shall determine the Aggregate Cash Settled Final Security Value and the Aggregate Physically Settled Final Security Value and then determine the Cash Settled Portion in respect of the Collateral Assets in the relevant Collateral Pool and the Physically Settled Portion in respect of the Collateral Assets in the relevant Collateral Pool.
- (c) (i) After determining the Collateral Assets Value in respect of the relevant Collateral Pool and calculating the amounts set out in Collateral Security Condition 3.8(b), the Collateral Agent shall determine which Collateral Assets are to be realised in accordance with Collateral Security Condition 3.3 and which Collateral Assets are to be delivered to Holders in accordance with Collateral Security Condition 3.6:
  - (A) (I) (in all circumstances other than where Collateral Security Condition 3.8(c)(B) applies) on the basis that the aggregate marked to market value of the Collateral Assets (as determined for the purposes of calculating the Collateral Assets Value) which are to be realised shall be equal to the amount of the Cash Settled Portion and (II) the aggregate marked to market value of the Collateral Assets (as determined for the purposes of calculating the Collateral Assets Value) which are to be delivered to Holders shall be equal to the amount of the Physically Settled Portion; or
  - (B) on the basis that the aggregate nominal amount of the Collateral Assets which are to be realised in accordance with Collateral Security Condition 3.3 shall be equal to

the amount of the Cash Settled Portion and the aggregate nominal amount of the Collateral Assets which are to be delivered to Holders in accordance with Collateral Security Condition 3.6 shall be equal to the amount of the Physically Settled Portion where Nominal Value Collateralisation or Partial Nominal Value Collateralisation apply to the Secured Securities in the relevant Collateral Pool and there are no Collateral Valuation Dates.

- (ii) In each case if the nominal amount of the Collateral Assets to be the subject of Collateral Cash Settlement or to be delivered in accordance with Physical Delivery of Collateral is not equal to an authorised denomination of the Collateral Assets (or an integral multiple thereof) then the nominal amount of each such Collateral Asset shall be rounded down to the nearest authorised denomination or multiple thereof or, if none, to zero. In such circumstances, the Collateral Assets which were not capable of being assigned as Cash Settled Portion Assets or as Physically Settled Portion Assets due to such rounding in each case shall, if and to the extent practicable, be sold by the Collateral Agent (or such other agent as may be appointed by the Collateral Agent for such purpose) in accordance with Collateral Security Condition 3.3. The resulting amount (the "**Collateral Split Rounding Amount**") shall be paid to the Holders on a pari passu basis where each Secured Security's share of such proceeds shall be determined on the basis of such Secured Security's Collateral Proceeds Share (in the case of Secured Securities to which Collateral Cash Settlement applies) where, for such purpose, the Realisation Amount will be deemed to be equal to such proceeds of sale from the relevant Collateral Assets subject to rounding (after deduction of costs or expenses incurred or relating to such sale) or on the basis of such Secured Security's Delivery Share (in the case of Secured Securities to which such Physical Delivery of Collateral applies) where, for such purpose, the Collateral Assets Value will be deemed to be equal to such proceeds of sale from the relevant Collateral Assets subject to rounding (after deduction of costs or expenses incurred or relating to such sale).
- (d) After the Collateral Agent determines the Collateral Assets to be realised in accordance with Collateral Security Condition 3.3, such Collateral Securities shall be realised in accordance with such Collateral Security Condition provided that references therein to "Collateral Assets" shall be deemed to be references to the Cash Settled Portion Assets only and not to all the Collateral Assets in the Collateral Pool.
- (e) After the Collateral Agent determines the Collateral Assets to be delivered in accordance with Collateral Security Condition 3.6, such Collateral Assets will be delivered to Holders in accordance with such Collateral Security Condition provided that references therein to "Collateral Assets" shall be deemed to be references to the Physically Settled Portion Assets only and not to all the Collateral Assets in the Collateral Pool.

### 3.9 No collateralisation of Secured Securities held by the Issuer or any of its Affiliates

The Issuer will not deliver Collateral Assets to the Collateral Account in respect of Secured Securities where the Issuer or any of its Affiliates are the beneficial owner of such Secured Securities. Following an Enforcement Event, the Issuer will procure that it and/or the Affiliate of the Issuer that holds the Secured Securities will renounce and waive all rights (including as to payment) in respect of such Secured Securities and shall submit such Secured Securities for cancellation free of payment. Any amounts calculated for the purposes of Collateral Security Conditions 3.2 to 3.8 (inclusive) shall be calculated on the basis that any reference to Secured Securities shall be a reference to Placed Secured Securities only and the definitions in Collateral Security Condition 1 shall be interpreted accordingly.

### 3.10 Claim on Guarantor

In the event that the Issuer fails to make payment of the Shortfall, the Guarantor will on demand (without first requiring the Holder to take further steps against the Issuer or any other person) pay to each Holder in respect of each Secured Security held by him, an amount equal to the Shortfall in the currency in which the Shortfall is payable by the Issuer.

### 3.11 Status of Guarantee

The Guarantee applicable to Secured Securities is an unsubordinated and unsecured obligation of BNPP and will rank *pari passu* with all its other present and future unsubordinated and unsecured obligations subject to such exceptions as may from time to time be mandatory under French law. Secured Securities in respect of which these Collateral Security Conditions are specified as applicable in the relevant Final Terms shall be deemed not to be "Securities" for the purposes only of the Deed of Guarantee for Unsecured Securities dated on or around 7 June 2017, or the French Law Guarantee for Unsecured Securities dated on or around 7 June 2017, entered into, in each case, by BNPP in respect of securities (other than Secured Securities) issued by the Issuer under its note, warrant and certificate programme.

## 4. Guarantee

Subject as provided below and in the relevant Guarantee, BNPP has unconditionally and irrevocably (a) guaranteed to each Holder that, if following the occurrence of an Enforcement Event and enforcement of the Pledge in respect of the relevant Collateral Pool, for any reason the Issuer does not pay the Security Termination Amount in respect of a Secured Security in full, BNPP will not later than five Paris Business Days (as defined in the relevant Guarantee) after a demand has been made on BNPP pursuant thereto (without requiring the relevant Holder first to take steps against the Issuer or any other person) pay an amount equal to the Shortfall in the currency in which such payment is due in immediately available funds as though BNPP were the principal obligor in respect of such obligation provided that BNPP shall not be obliged to make any payment under this Guarantee in respect of a Secured Security until the Collateral Assets in the Collateral Pool securing such Secured Security have been realised or liquidated in full and distributed in the manner set out in Collateral Security Condition 6.2.

## 5. Collateral Calculation Agent

In relation to each issue of Secured Securities, the Collateral Calculation Agent (whether it be BNP Paribas, BNP Paribas Arbitrage S.N.C. or another entity) acts solely as agent of the Issuer and the Guarantor, and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders. All calculations and determinations made in respect of the Secured Securities by the Collateral Calculation Agent shall (save in the case of manifest error) be final, conclusive and binding on the Issuer, the Guarantor, the Holders and the Collateral Agent. Because the Collateral Calculation Agent may be an Affiliate of the Issuer, potential conflicts of interest may exist between the Collateral Calculation Agent and the Holders, including with respect to certain determinations and judgments that the Collateral Calculation Agent must make.

The Collateral Calculation Agent may, with the consent of the Issuer, delegate any of its obligations and functions to a third party as it deems appropriate.

## 6. Events of Default and Enforcement

### 6.1 Events of Default

A Holder may deliver a Default Notification specifying that an Event of Default has occurred. If the Collateral Agent does not receive an Event Dispute Notice from the Issuer at or prior to the end of the Dispute Period, it shall deliver an Enforcement Notice to each of the Issuer, the Principal Security Agent, the Collateral

Custodian, the Swap Counterparty (if any) and Repo Counterparty (if any) whereupon, each series of Secured Securities shall become immediately due and payable at their Security Termination Amount (save where Physical Delivery of Collateral is applicable in which case the Entitlement in respect of each such Secured Security shall be delivered on the relevant Collateral Delivery Date) without further action or formalities and the Security Interests granted under the Pledge Agreements shall become enforceable (as set out in the Pledge Agreements).

Any of the following events (each an "**Event of Default**") shall entitle a Holder to deliver a Default Notification:

- (a) the Issuer fails to pay any amount payable in respect of the Secured Securities or any of them when due and payable or fails to deliver the Entitlement when due and such default is not remedied within 30 days after the relevant due date; or
- (b) the Issuer or the Guarantor fails to perform or observe any of its other obligations under the Secured Securities and such default is not remedied within 45 days after notice of such default has been given to the Principal Security Agent by any Holder; or
- (c) BNPP applies for the appointment of an ad hoc representative (*mandataire ad hoc*) under French bankruptcy law, or enters into an amicable procedure (*procédure de conciliation*) with creditors or ceases its payments, or a judgment is issued for the judicial liquidation (*liquidation judiciaire*) of BNPP or for a transfer of the whole of its business (*cession totale de l'entreprise*); or
- (d) the Issuer is subject to proceedings similar to those set out in Collateral Security Condition 6.1(c), or, in the absence of legal proceedings, the Issuer or Guarantor makes a conveyance, assignment or other arrangement for the benefit of its creditors or enters into a composition with its creditors, or a resolution is passed by the Issuer or Guarantor for its winding-up or dissolution, except in connection with a merger or other reorganisation in which all of the Issuer's or the Guarantor's assets are transferred to, and all of the Issuer's or Guarantor's debts and liabilities (including the Secured Securities) are assumed by, another entity which continues the Issuer's or Guarantor's activities.

Any such Enforcement Notice shall be promptly given to the Holders in accordance with Security Condition 10.

## 6.2 Enforcement

The Collateral Agent shall not be bound to take any action under or in connection with any of the Pledge Agreements (including without limitation enforcing the Pledge(s) upon the Pledge(s) becoming enforceable)

(i) unless a Holder has given written notice to each of the Issuer, the Collateral Agent and the Principal Security Agent that an Event of Default has occurred, no Event Dispute Notice in respect of such Default Notification has been received by the Collateral Agent at or prior to the end of the Dispute Period and the Collateral Agent has, as a result, delivered an Enforcement Notice to each of the Issuer, the Principal Security Agent, the Collateral Custodian, the Swap Counterparty (if any) and Repo Counterparty (if any) with a copy delivered to the Holders or (ii) if the Collateral Agent reasonably believes that it (x) would not be able to recover its costs or other liabilities which would be incurred in connection with such action from the relevant Collateral Assets or otherwise or (y) would experience an unreasonable delay in doing so.

Upon the occurrence of an Enforcement Event in respect of any series of Secured Securities, the Collateral Agent shall enforce the Pledges in accordance with the Pledge Agreements. No Holder shall be entitled to enforce the Pledges or to proceed directly against the Issuer to enforce the other provisions of the Pledge Agreements unless the Collateral Agent, having become bound so to enforce or to proceed, fails so to do within a reasonable time and such failure is continuing or the Collateral Agent is prevented from doing so by

any court order. In connection with the enforcement of the Pledges, and after the realisation and liquidation in full of all the Collateral Assets in a Collateral Pool and, where Physical Delivery of Collateral is not applicable, the Collateral Agent shall determine the Security Termination Amount (and, if applicable, any Shortfall) in respect of each Secured Security and shall notify such amounts to the Holders following such realisation and liquidation. Upon the occurrence of an Enforcement Event, the Collateral Calculation Agent shall provide details to the Collateral Agent of the valuation of the Collateral Assets and the Secured Securities (to the extent applicable) determined for the purposes of Collateral Security Condition 3.2 as at the immediately preceding Collateral Valuation Date (if any).

Where the Secured Securities become due and payable at their Security Termination Amount in accordance with Collateral Security Condition 6.1., no amounts other than the relevant Security Termination Amount will be payable in respect of each Secured Security.

Where Physical Delivery of Collateral and Nominal Value Collateralisation is applicable to a series of Secured Securities or there is recourse only to the proceeds of sale of the Collateral Assets, upon delivery of the relevant Collateral Assets (and payment of any Rounding Amount due in respect of such delivery) or payment of the proceeds of sale and any Rounding Amount, no further amount will be due to the Holders of such Secured Securities. In all other cases, in the event that the Realisation Amount is insufficient to pay the Security Termination Amount due to a Holder in full or the value of Collateral Assets delivered is less than the Security Termination Amount, the Issuer shall remain liable for the Shortfall and, in the event that the Issuer fails to make payment of the Shortfall as and when it becomes due, the Guarantor will be liable for such Shortfall pursuant to the terms of the relevant Guarantee applicable to such Secured Securities. No Holder shall be entitled to have recourse to the Collateral Assets contained in a Collateral Pool other than the Collateral Pool which relates to the Secured Securities it holds.

### 6.3 Cancellation

Where Physical Delivery of Collateral is not applicable to a series of Secured Securities, following payment in full by the Issuer and/or the Guarantor of the Shortfall (if any) in respect of a Secured Security and/or payment to the Holder of a Secured Security of an amount in aggregate equal to the Security Termination Amount the relevant Secured Security shall be deemed to have been cancelled. Where Physical Delivery of Collateral is applicable to a series of Secured Securities, following or delivery to the Holder of a Secured Security of Collateral Assets in an amount equal to the relevant Delivery Share by the Collateral Agent (together with any Rounding Amount payable) and, where applicable, payment in full by the Issuer and/or the Guarantor of the Shortfall (if any) in respect of such Secured Security, the relevant Secured Security shall be deemed to have been cancelled.

## 7. Additional Disruption Events

### 7.1 The following changes will apply to Security Condition 15:

- (a) The definition of Additional Disruption Events in Security Condition 15.1 shall be deleted and replaced with the following:

**"Additional Disruption Event"** means each of Change in Law, Hedging Disruption, Collateral Disruption and Increased Cost of Collateral Assets, unless specified otherwise in the applicable Final Terms;"

- (b) The following definitions shall be deemed to have been inserted in Security Condition 15.1 after the definition of a Cancellation Event and before the definition of Change in Law:

**"Collateral Asset Default"** means, in respect of a series of Secured Securities, any Collateral Asset in the Collateral Pool which secures such series of Secured Securities becomes due and payable on a date prior to its



stated maturity date for any reason (including by reason of default in payment) or where the Collateral Asset is a cash deposit, there is a failure by the bank with which such deposit is held to pay any amount in respect of such deposit or the deposit becomes repayable on a date prior to its stated repayment date for any reason;

**"Collateral Disruption"** means 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 obtain Collateral Assets; (b) freely realise, recover, remit, receive, re-patriate or transfer the proceeds of any such transactions(s) or assets(s) or futures or option contract(s) or any relevant hedge positions relating to the Collateral Assets (including without limitation as a result of adverse market conditions or a lack of liquidity in the market) or (c) acquire or substitute any Collateral Assets (including without limitation as a result of adverse market conditions or a lack of liquidity in the market);".

- (c) The following definition shall be deemed to have been inserted in Security Condition 15.1 after the definition of Hedging Shares and before the definition of Increased Cost of Hedging:

**"Increased Cost of Collateral Assets"** 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, fee (other than brokerage commissions) or other relevant cost (including, for the avoidance of doubt, any funding cost) to (a) acquire, borrow, substitute, or dispose of any Collateral Assets, (b) establish, re-establish, substitute, maintain, unwind or dispose of any transaction entered into by the Issuer or any of its Affiliates in connection with the Collateral Assets or (c) realise, recover or remit the proceeds of any such Collateral Assets, 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 Collateral Assets;".

- (d) The definition of Optional Additional Disruption Events in Security Condition 15.1 shall be deleted and replaced with the following:

**"Optional Additional Disruption Event"** means any of Cancellation Event, Collateral Asset Default, Currency Event, Extraordinary External Event Failure to Deliver due to Illiquidity, 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;".

- (e) Notwithstanding the first sentence of Security Condition 15.2, upon the occurrence of an Additional Disruption Event which is either a Collateral Disruption or an Increased Cost of Collateral Assets, the Issuer, in its sole and absolute discretion, may take the action described in Security Condition 15.2(b).

- 7.2 The following shall apply where an Optional Additional Disruption Event occurs which is a Collateral Asset Default and Security Condition 15 shall not apply in connection with such Optional Additional Disruption Event.

- (a) **This section has intentionally been left blank**

- (b) Where the Collateral Asset has become due and repayable by reason of default in payment by the obligor of such Collateral Asset continuing after the expiry of any applicable grace period,

- (i) **This section has intentionally been left blank**

- (ii) where Collateral Physical Settlement has been specified as applicable in applicable Final Terms, the Issuer shall as soon as reasonably practicable deliver the Collateral Assets to the Holders. Where delivery of the Collateral Assets is due to be made in respect of Securities, Security Conditions 21, 23 and 24 (as modified by these Collateral Security Conditions) shall apply and, for such purposes, the

Warrants shall be deemed to be Physical Delivery Warrants and the Entitlement (unless specified otherwise in the applicable Final Terms) shall be deemed to be the Warrant's pro rata share of the Collateral Assets held by the Issuer in respect of the relevant Collateral Pool. Delivery of the Entitlement shall satisfy the Issuer's obligations in full in respect of the relevant Secured Securities.

(c) **This section has intentionally been left blank**

(d) Where Collateral Physical Settlement has been specified as applicable in the applicable Final Terms and a Settlement Disruption Event occurs, Security Condition 5.1 shall apply provided that the Disruption Cash Settlement Price will be equal to the Disruption Cash Settlement Price specified in the applicable Final Terms.

(e) If a Collateral Asset Default occurs, the Issuer will procure that any Affiliate which is holding Secured Securities of the relevant series shall deliver these to the Issuer and the Issuer will cancel such Secured Securities together with any Secured Securities which it is holding itself free of payment.

7.3 **This section has intentionally been left blank**

8. **This section has intentionally been left blank**

9. **This section has intentionally been left blank**

10. **Exercise Rights**

10.1 The first paragraph of Security Condition 23.2 (Cash Settlement) shall not apply and shall be replaced with the following:

"If the Warrants are Cash Settled Warrants, each such Warrant or, if Units are specified in the applicable Final Terms, each Unit entitles its Holder, upon due exercise and subject, in the case of Warrants represented by a Clearing System Global Warrant, other than a Rule 144A Global Warrant, or a Registered Warrant, to certification as to non-U.S. beneficial ownership, and, in the case of Warrants represented by Rule 144A Global Warrants and Private Placement Definitive Warrants, to such certifications as to compliance with U.S. securities laws as the Issuer shall require or as shall be set out in the applicable Final Terms, to receive from the Issuer on the Settlement Date (provided that no Enforcement Event has occurred) the Cash Settlement Amount."

10.2 The first paragraph of Security Condition 23.3 (Physical Settlement) shall not apply and shall be replaced with the following:

"If the Warrants are Physical Delivery Warrants, each such Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, entitles its Holder, upon due exercise and subject, in the case of Warrants, represented by a Clearing System Global Warrant or a Registered Warrant, to certification as to non-U.S. beneficial ownership, to receive from the Issuer on the Settlement Date (provided no Enforcement Event has occurred) the Entitlement subject to payment of the relevant Exercise Price and any other sums payable. The method of delivery of the Entitlement is set out in the applicable Final Terms."



## ANNEX TO THE ADDITIONAL TERMS AND CONDITIONS FOR SECURED SECURITIES

### ELIGIBLE COLLATERAL ANNEX

This Eligible Collateral Annex applies where either Part A or Part C of Annex 13 (Additional Terms and Conditions for Secured Securities) applies to the relevant Secured Securities. The Eligible Collateral in respect of a Series of Secured Securities may consist of the following, or any combination of the following, types of assets described below.

#### 1. ELIGIBLE CASH

**"Eligible Cash"** being cash in Euro or any other Eligible Currency (as specified in the applicable Final Terms).

#### 2. EQUITY ELIGIBILITY CRITERIA

**"Eligible Equity Collateral"** may include any one (or combination) of the following:

- (a) common shares or stock;
- (b) preference shares or stock;
- (c) convertible common shares or stock;
- (d) convertible preference shares or stock;
- (e) American depositary receipts ("**ADRs**");
- (f) global depositary receipts ("**GDRs**");
- (g) warrants, or
- (h) any other type of asset which represents a share of an equity interest in an entity,

(each type of asset, an "**Equity Collateral Security**" and together, the "**Equity Collateral Securities**").

In order to constitute Eligible Equity Collateral, the relevant asset (i) must be an Equity Collateral Security, (ii) may be listed on a regulated market or an equivalent thereto and (iii) may or may not confer voting rights on the holder thereof.

The relevant Final Terms may specify further details of the issuer of the Eligible Equity Collateral and where relevant details of any particular Equity Collateral Security which is to constitute Eligible Collateral in respect of the relevant Collateral Pool.

#### 3. DEBT ELIGIBILITY CRITERIA

**"Eligible Debt Collateral"** may include any one (or combination) of the following:

- (a) bonds, notes, commercial paper, deposits or certificates issued by a corporate, bank or other financial institution, government, governmental agency, municipal entity or supranational entity whose interest and/or principal payments may be linked to the performance of any underlying factor ("**Linked Note Collateral**");
- (b) bonds, notes, commercial paper, deposits or certificates issued by a corporate, bank or other financial institution whose interest and/or principal payments may be linked to the creditworthiness of a single reference entity or a basket of reference entities ("**Credit Linked Note Collateral**");

- (c) bonds or notes linked to the issuer's participation in a portion of one or more outstanding commercial loans ("**Loan Participation Note Collateral**");
- (d) participation or rights in respect of one or more commercial loans ("**Loan Collateral**");
- (e) bonds (i) convertible, at the option of the holder or otherwise, into shares in the issuing company ("**Convertible Bond Collateral**") or (ii) exchangeable, at the option of the holder or otherwise, into shares in another specified company ("**Exchangeable Bond Collateral**");
- (f) bonds issued by a bank or institution that provides recourse to the issuing entity's assets as well as to a pool of mortgages or public sector assets protected from the insolvency of the issuing institution ("**Covered Bond Collateral**");
- (g) Covered Bond Collateral issued by a German mortgage bank or public sector bank ("**Pfandbriefe Collateral**"); or
- (h) bonds, notes, commercial paper, deposits or certificates issued by a corporate, bank or other financial institution, government, governmental agency, municipal entity or supranational entity not bearing interest, having a principal repayment obligation equal to the face amount of such bond, note, commercial paper, deposit or certificate ("**Zero Coupon Bond Collateral**"); or
- (i) bonds, notes, commercial paper, deposits or certificates issued by a corporate, bank or other financial institution, government, governmental agency, municipal entity or supranational entity bearing a fixed or floating rate of interest, having a principal repayment obligation equal to the face amount of such bond, note, commercial paper, deposit or certificate and which are not Linked Note Collateral, Credit Linked Note Collateral, Loan Participation Note Collateral, Loan Collateral, Convertible Bond Collateral, Exchangeable Bond Collateral, Covered Bond Collateral, Pfandbriefe Collateral or Zero Coupon Bond Collateral ("**Vanilla Debt Securities**"); or

(each type of asset, a "**Debt Collateral Security**" and together, the "**Debt Collateral Securities**").

In order to constitute Eligible Debt Collateral, the relevant asset (i) must be a Debt Collateral Security, (ii) may not be an Asset Backed Security, (iii) may be listed and (iv) may be secured or unsecured.

The relevant Final Terms may specify further details of the issuer of the Eligible Debt Collateral and where relevant details of any particular Debt Collateral Security which is to constitute Eligible Collateral in respect of the relevant Collateral Pool.

#### 4. ABS ELIGIBILITY CRITERIA

"**Eligible ABS Collateral**" may include any one (or combination) of the following types of assets:

Any Debt Collateral Security which has the following characteristics:

- (a) the timing and/or amount of payments of interest and/or repayment of principal depend on the cash flow from a financial asset or a pool of financial assets (including one or more loans); or
- (b) payments of interest and/or repayment of principal are linked, directly or indirectly, to the credit of one or more obligors and/or value and/or price performance and/or cash flow of a financial asset or a pool of financial assets,

and, in each case, by its terms may pay an amount in cash to its holder within a finite time period, and/or with such other rights or assets designed to assure the servicing or timely distribution of proceeds to holders of such Debt Security, (each type of asset, an "**Asset Backed Security**" and together, the "**Asset Backed Securities**").

In order to constitute ABS Collateral, the relevant asset must be an Asset Backed Security that is listed.

The relevant Final Terms may specify further details of the issuer of the Eligible ABS Collateral and where relevant details of any particular Asset Backed Security which is to constitute Eligible Collateral in respect of the relevant Collateral Pool.

5. ELIGIBLE FUND COLLATERAL

"**Eligible Fund Collateral**" may include any one (or combination) of the following:

- (a) common shares or stock in a Collective Investment Scheme;
- (b) preference shares or stock in a Collective Investment Scheme;
- (c) units in a Collective Investment Scheme;
- (d) any other type of asset which represents a share, interest or unit in a Collective Investment Scheme; or
- (e) any cash standing to the credit of a managed account,

(each type of asset, a "**Fund Collateral Security**" and together, the "**Fund Collateral Securities**").

In order to constitute Eligible Fund Collateral, the relevant asset must be a Fund Collateral Security.

The relevant Final Terms may specify further details of the issuer of the Eligible Fund Collateral and where relevant details of any particular Fund Collateral Security which is to constitute Eligible Collateral in respect of the relevant Collateral Pool.

## INDEX OF DEFINED TERMS IN RESPECT OF THE SECURITIES

"**2.5-year Limitation Date**" is as defined in Credit Security Condition 9.

"**10-year Limitation Date**" is as defined in the Credit Security Conditions, , Condition 9.

"**20 August 2015 Decree Law**" is as defined in Security Condition 27.2.

"**A**" is as defined in Security Condition 15.2(d), Payout Condition 2.2(h), 2.2(i), Share Security Condition 4.2(e), ETI Security Condition 6.2(b) and Credit Security Condition 9.

"**Accelerated or Matured**" is as defined in Credit Security Condition 9.

"**Account Holder**" is as defined in Security Condition 2.2.

"**ACT Day**" is as defined in Payout Condition 1.1(s).

"**ACT<sub>(i,i-1)</sub>**" is as defined in Payout Condition 1.1(s).

"**Actual Exercise Date**" is as defined in Security Condition 19 and Condition 23.1(a).

"**Actual First Traded Price**" is as defined in Index Security Condition 9.1.

"**Additional Credit Linked Security Disruption Event**" is as defined in Credit Security Condition 9.

"**Additional Disruption Event**" is as defined in the Collateral Security Conditions, Part A, Condition 7.1(a) and Part C and Part C, Condition 7.1(a) and in Security Condition 15.1.

"**Additional Final Payout**" is as defined in Payout Condition 2.12.

"**Additional Final Payout Weighting**" is as defined in Payout Condition 2.12.

"**Additional Gearing**" is as defined in Payout Condition 2.12.

"**Additional LPN**" is as defined in Credit Security Condition 9.

"**Additional Obligation**" is as defined in Credit Security Condition 9.

"**Additional Provisions**" is as defined in Credit Security Condition 9.

"**Additional Security Document**" is as defined in the Collateral Security Conditions, Part A, Part C and Part C, Condition 1.

"**Adjusted Bear CV**" is as defined in Payout Condition 1.5.

"**Adjusted Bull CV**" is as defined in Payout Condition 1.5.

"**Adjustment**" is as defined in ETI Security Condition 6.2(a) and Fund Security Condition 4.2(a).

"**Adjustment Amount**" is as defined in the Annex A to the Additional Terms and Conditions for Credit Securities – Auction Settlement Terms Annex.

"**Adjustment Date**" is as defined in Security Condition 17(b).

"**ADR**" is as defined in Share Security Condition 8.

"**ADRs**" is as defined in the Annex to the Additional Terms and Conditions for Secured Securities Condition 2(e).

"**AER Athena up Rate**" is as defined in Payout Condition 2.3(b).

"**AER Calculation Period**" is as defined in Payout Condition 2.3(b).

"**AER Exit Rate**" is as defined in Payout Condition 2.3(b).

"**AER Knock-out**" is as defined in Security Condition 24.12(b).

"**AER Rate**" is as defined in Security Condition 24.12(b).

"**AER Redemption Percentage**" is as defined in Payout Condition 2.3(b).

"**AER Reference Rate**" is as defined in Payout Condition 2.3(b).

"**AF<sub>(t)</sub>**" is as defined in Payout Condition 1.1(s).

"**Affected Basket Company**" is as defined in Share Security Condition 4.2(e).

"**Affected Commodity**" is as defined in Commodity Security Condition 3(b).

"**Affected Component Security**" is as defined in Security Condition 1 under the definition of Strike Date and in Security Condition 19.

"**Affected Custom Index**" is as defined in Index Security Condition 6.2(b)(i), 6.2(b)(ii)(A), 6.2(c)(i) and 6.2(c)(ii)(A).

"**Affected Entity**" is as defined in Credit Security Condition 5(d).

"**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).

"**Affected Fund**" is as defined in Fund Security Condition 4.2(b)(i).

"**Affected Fund Index**" is as defined in Fund Security Condition 4.3(b).

"**Affected Fund Index Component**" is as defined in Fund Security Condition 4.3(a)(i).

"**Affected Index Component**" is as defined in Commodity Security Condition 3(b).

"**Affected Item**" is as defined in Security Condition 1 under 'Strike Date' Annex 6 Additional Terms and Conditions, under Commodity Fallback Value in Condition 19 under 'Averaging Date' and 'Valuation Date'.

"**Affected Reference Entity**" is as defined in the Annex to the Additional Terms and Conditions for Credit Securities - Auction Settlement Terms Annex.

"**Affected Relevant Assets**" is as defined in Security Condition 15.1.

"**Affected Share**" is as defined in Security Condition 15.2(d) and Share Security Condition 4.2(e).

"**Affiliate**" is as defined in the Credit Security Condition 9 and in Security Condition 1.

"**Agency Agreement**" is as defined in paragraph 5 of the Terms and Conditions of Securities.

"**Aggregate Cash Settled Final Security Value**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Aggregate Collateral Proceeds Share**" is as defined in the Collateral Security Conditions, Part A, Part C and Part C, Condition 1.

"**Aggregate Delivery Share**" is as defined in the Collateral Security Conditions, Part A, Part C and Part C, Condition 1.

"**Aggregate Final Security Value**" is as defined in the Collateral Security Conditions, Part A, Part C and Part C, Condition 1.

"**Aggregate Physically Settled Final Security Value**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Aggregate Recovery Amount**" is as defined in Credit Security Condition 9.

"**Aggregate Unwind Costs**" is as defined in Credit Security Condition 9.

"**AIs**" is as defined in Security Condition 20.

"**Alternate Cash Amount**" is as defined in Security Condition 5.4.

"**Alternative Security Document**" is as defined in the Collateral Security Conditions, Part A, Part C and Part C, Condition 1.

"**American Style Warrants**" is as defined in Security Condition 21.

"**Amounts Due**" is as defined in Security Condition 27.1.

"**Annex**" 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 Withholding Tax**" is as defined in Payout Condition 1.1(s).

"**Assessed Value Payment Amount**" is as defined in Security Condition 24.7(b).

"**Asset**" is as defined in the Credit Security Conditions, , Condition 9.

"**Asset Backed Security**" is as defined in the Annex to the Additional Terms and Conditions for Secured Securities, Condition 4.

"**Asset Market Value**" is as defined in Credit Security Condition 9.

"**Asset Package**" is as defined in Credit Security Condition 9.

"**Asset Package Credit Event**" is as defined in Credit Security Condition 9.

"**Asset Package Delivery**" is as defined in Credit Security Condition 4(i).

"**Assignable Loan**" is as defined in Credit Security Condition 9.

"**Auction**" is as defined in the Annex to the Additional Terms and Conditions for Credit Securities - Auction Settlement Terms Annex and Credit Security Condition 9.

"**Auction Cancellation Date**" is as defined in Credit Security Condition 9.

**"Auction Covered Transaction"** is as defined in Credit Security Condition 9.

**"Auction Currency Rate"** is as defined in the Annex to the Additional Terms and Conditions for Credit Securities - Auction Settlement Terms Annex.

**"Auction Date"** is as defined in the Annex to the Additional Terms and Conditions for Credit Securities - Auction Settlement Terms Annex.

**"Auction Final Price"** is as defined in Credit Security Condition 9.

**"Auction Final Price Determination Date"** is as defined in Credit Security Condition 9.

**"Auction Methodology"** is as defined in the Annex A to the Additional Terms and Conditions for Credit Securities - Auction Settlement Terms Annex.

**"Auction Settlement Amount"** is as defined in Credit Security Condition 9.

**"Auction Settlement Amount Notice"** is as defined in Credit Security Condition 9.

**"AUM Level"** is as defined in Fund Security Condition 1.

**"Automatic Early Expiration Date"** is as defined in Security Condition 24.12.

**"Automatic Early Expiration Payout Amount"** is as defined in Security Condition 24.12.

**"Automatic Early Expiration Settlement Date"** is as defined in Security Condition 24.12.

**"Automatic Early Expiration Valuation Date"** is as defined in Security Condition 24.12.

**"Automatic Early Expiration Valuation Time"** is as defined in Security Condition 24.12.

**"Automatic Early Expiration Valuation Period"** is as defined in Security Condition 24.12.

**"Automatic Exercise"** is as defined in Security Condition 21 and in Security Condition 23.1(b).

**"Average Basket Value"** is as defined in Payout Condition 2.9(b).

**"Average Best Value"** is as defined in Payout Condition 2.9(b).

**"Average Rainbow Value"** is as defined in Payout Condition 2.9(b).

**"Average Underlying Reference TOM Value"** is as defined in Payout Condition 2.9(a).

**"Average Underlying Reference Value"** is as defined in Payout Condition 2.9(a).

**"Average Worst Value"** is as defined in Payout Condition 2.9(b).

**"Averaging Date"** is as defined in Security Condition 19, Index Security Condition 8, in Currency Security Condition 1 and in Fund Security Condition 1.

**"Averaging"** is as defined in Security Condition 21.

**"B"** is as defined in Payout Condition 2.2(h), Credit Security Condition 9, Share Security Condition 4.2 and ETI Security Condition 6.2 and Security Condition 15.2(d).

**"Bail-in or Loss Absorption Power"** is as defined in Security Condition 27.2.

"**Banking Day**" is as defined in Index Security Condition 8.

"**Bankruptcy**" is as defined in Credit Security Condition 9.

"**Barrier Level**" is as defined in Payout Condition 1.4.

"**Barrier Percentage**" is as defined in Payout Condition 1.4.

"**Barrier Percentage Strike Price**" is as defined in Payout Condition 2.12.

"**Base Level**" is as defined in Inflation Index Security Condition 2(b).

"**Basket Company**" is as defined in Security Condition 15.2(d) and in Share Security Condition 1 and Share Security Condition 4.2(e).

"**Basket Component**" is as defined in Commodity Security Condition 1.

"**Basket of Commodities**" is as defined in Commodity Security Condition 1.

"**Basket of Custom Indices**" is as defined in Index Security Condition 8.

"**Basket of Futures**" is as defined in Futures Security Condition 1.

"**Basket of Indices**" is as defined in Index Security Condition 1.

"**Basket of Shares**" is as defined in Share Security Condition 1.

"**Basket of Underlying References**" is as defined in Security Condition 24.12.

"**Basket Price**" is as defined in Security Condition 24.12.

"**Basket Trigger Event**" is as defined in ETI Security Condition 1 and Fund Security Condition 1.

"**Basket Trigger Level**" is as defined in ETI Security Condition 1 and Fund Security Condition 1.

"**Basket Value**" is as defined in Payout Condition 2.6(c).

"**Bear Cash Value**" is as defined in Payout Condition 1.1(gg).

"**Bear CV<sub>0</sub>**" is as defined in Payout Condition 1.5.

"**Bear CV<sub>(t)</sub>**" is as defined in Payout Condition 1.1(gg).

"**Bear CV<sub>t-1</sub>**" is as defined in Payout Condition 1.5.

"**Best Intraday Value**" is as defined in Payout Condition 2.6(c).

"**Best Value**" is as defined in Payout Condition 2.6(c).

"**BestLockValue<sub>(t)</sub>**" is as defined in Payout Condition 2.2(d)(iii).

"**Best-Performing Underlying Reference Closing Price Value<sub>(t)</sub>**" is as defined in Payout Condition 2.4(b).

"**BNPP**" is as defined in paragraph 3 of the Terms and Conditions of Securities.

"**BNPP B.V.**" is as defined in paragraph 3 of the Terms and Conditions of Securities.

"**BNPP English Law Guarantee**" is as defined in Security Condition 1.



"**BNPP French Law Guarantee**" is as defined in Security Condition 1.

"**BNPP Guarantee**" is as defined in Security Condition 1.

"**BNPP Guarantor**" as defined in paragraph 5 of the Terms and Conditions of Securities.

"**BNPP Holding**" is as defined in the Collateral Security Conditions, Part A, Part C and Part C, Condition 1.

"**Bond**" is as defined in Credit Security Condition 9.

"**Bond**" or "**Loan**" is as defined in Credit Security Condition 9.

"**Bonus Coupon**" is as defined in Payout Condition 2.12.

"**Bonus Level**" is as defined in Payout Condition 1.4.

"**Bonus Level Percentage**" is as defined in Payout Condition 1.4.

"**Bonus Percentage**" is as defined in Payout Condition 1.4.

"**Borrowed Money**" is as defined in Credit Security Condition 9.

"**BRRD**" is as defined in Security Condition 27.2.

"**Bull Cash Value**" is as defined in Payout Condition 1.1(gg).

"**Bull CV**<sub>0</sub>" is as defined in Payout Condition 1.5.

"**Bull CV**<sub>(t)</sub>" is as defined in Payout Condition 1.1(gg).

"**Bull CV**<sub>(t-1)</sub>" is as defined in Payout Condition 1.5.

"**Business Day**" is as defined in Security Condition 1.

"**C**" is as defined in the Credit Security Condition 9, Share Security Condition 4.2, ETI Security Condition 6.2 and Security Condition 15.2(d).

"**Calculated Fund Index Adjustment Amount**" is as defined in Fund Security Condition 6(iv)(B).

"**Calculated Fund Index Adjustment Amount Event Determination Date**" is as defined in Fund Security Condition 6(iv)(B).

"**Calculation Agent**" is as defined in paragraph 7 of the Terms and Conditions of the Securities.

"**Calculation Currency**" is as defined in Payout Condition 1.5.

"**Calculation Date**" is as defined in ETI Security Condition 1 and Fund Security Condition 1.

"**Calculation Time**<sub>t</sub>" is as defined in Payout Condition 1.5.

"**Calculation Time**<sub>t-1</sub>" is as defined in Payout Condition 1.5.

"**Call Option**" is as defined in Payout Condition 1.6.

"**Call Warrants**" is as defined in Security Condition 21.

"**Cancellation Event**" is as defined in Security Condition 15.1.

"**Cap Level**" is as defined in Payout Condition 1.4.

"**Cap Level Percentage**" is as defined in Payout Condition 1.4.

"**Cap Percentage**" is as defined in Payout Condition 1.4.

"**Capital Ratio**" is as defined in Credit Security Condition 6(b)(iii).

"**Capped Reference Entity**" is as defined in Credit Security Condition 9.

"**Cash Collateral Value**" is as defined in the Collateral Security Conditions, Part A, Condition 3.2 and Collateral Security Conditions, Part C, Condition 3.2.

"**Cash Dividend**" is as defined in Share Security Condition 6(c).

"**Cash Dividend Amount**" is as defined in Share Security Condition 6(c).

"**Cash Dividend Notice**" is as defined in Share Security Condition 6(b).

"**Cash Dividend Payment Date**" is as defined in Share Security Condition 6(c).

"**Cash Portion Percentage**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Cash Settled Portion**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Cash Settled Portion Assets**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Cash Settled Securities**" is as defined in Security Condition 1.

"**Cash Settled Warrants**" is as defined in Security Condition 21.

"**Cash Settlement Amount**" is as defined in Security Condition 19.

"**Cash Settlement Date**" is as defined in Credit Security Condition 9.

"**Cash Value**" is as defined in Payout Condition 1.1(gg).

"**CBF Global Warrant**" is as defined in Security Condition 20.

"**CBF Warrants**" is as defined in Security Condition 20.

"**Cert<sub>(t0)</sub>**" is as defined in Payout Condition 1.1(s).

"**CFTC**" is as defined in Security Condition 2.1.

"**Change in Law**" is as defined in Credit Security Condition 9 and Security Condition 15.1.

"**Clearance System**" is as defined in Index Security Condition 1, Share Security Condition 1, ETI Security Condition 1, Debt Security Condition 11 and Futures Security Condition 1.

"**Clearance System Days**" is as defined in Index Security Condition 1, Share Security Condition 1, ETI Security Condition 1, Debt Security Condition 11 and Futures Security Condition 1.

"**Clearing System**" is as defined in Security Condition 1.

"**Clearing System Global Security**" is as defined in Security Condition 1.

"**Clearing System Global Warrant**" is as defined in Security Condition 20.

"**Clearing System Securities**" is as defined in Security Condition 1.

"**Clearing System Warrants**" is as defined in Security Condition 20.

"**Clearstream, Frankfurt**" is as defined in Security Condition 1.

"**Clearstream, Luxembourg**" is as defined in Security Condition 20.

"**Closing Level**" is as defined in Index Security Condition 1 and Index Security Condition 8.

"**Closing Price**" is as defined in Share Security Condition 1 and ETI Security Condition 1.

"**Coco Provision**" is as defined in Credit Security Condition 6(b)(iii).

"**CoCo Supplement**" is as defined in Credit Security Condition 9.

"**Collateral Account**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 3.2.

"**Collateral Agent**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Collateral Asset Default**" is as defined in the Collateral Security Conditions, Part A and Part B, Condition 7.1(b).

"**Collateral Asset Default Determination Date**" is as defined in the Collateral Security Conditions, Part A, Condition 1.

"**Collateral Asset Issuer**" is as defined in the Collateral Security Conditions, Part A, Condition 1.

"**Collateral Asset Issuer Default**" is as defined in the Collateral Security Conditions, Part A, Condition 7.1(b).

"**Collateral Assets**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Collateral Assets Value**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Collateral Calculation Agent**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Collateral Cash Settlement**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Collateral Custodian**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Collateral Delivery Date**" is as defined in the Collateral Security Conditions, Part A, Condition 1.

"**Collateral Disruption**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 7.1(b).

"**Collateral Early Settlement Amount**" is as defined in the Collateral Security Conditions, Part A, Condition 7.4.

"**Collateral Enforcement Proceeds**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Collateral Percentage**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Collateral Pool**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Collateral Proceeds Share**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Collateral Security Conditions**" is as defined in Annex 13, paragraph 1.

**"Collateral Settlement Disruption Event"** is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

**"Collateral Split Rounding Amount"** is as defined in the Collateral Security Conditions, Part A and Part C, Condition 3.8.

**"Collateral Valuation Date"** is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

**"Collateral Value"** is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

**"Collective Investment Scheme"** is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

**"Commencement Date"** is as defined in Payout Condition 1.5.

**"Commodity"** is as defined in Commodity Security Condition 1 and Commodity Security Condition 3(b).

**"Commodity Business Day"** is as defined in Commodity Security Condition 1.

**"Commodity Disrupted Day"** is as defined in Commodity Security Condition 1.

**"Commodity Exchange Act"** is as defined in Security Condition 2.1.

**"Commodity Fallback Value"** is as defined in Commodity Security Condition 1.

**"Commodity Index"** is as defined in Commodity Security Condition 1.

**"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 Reference Price"** is as defined in Commodity Security Condition 1.

**"Commodity Securities"** is as defined in Security Condition 2.1.

**"Commodity Security Conditions"** is as defined in Annex 6, paragraph 1.

**"Common Depositary"** is as defined in Security Condition 20.

**"Component Security"** is as defined in Index Security Condition 1.

**"Component Security Index"** is as defined in Index Security Condition 1.

**"Composite Index"** is as defined in Index Security Condition 1.

**"Conditionally Transferable Obligation"** is as defined in Credit Security Condition 9.

**"Conforming Reference Obligation"** is as defined in Credit Security Condition 9.

**"Consent Required Loan"** is as defined in Credit Security Condition 9.

**"Constant Percentage 1"** is as defined in Payout Condition 2.12.

**"Constant Percentage 2"** is as defined in Payout Condition 2.12.

"**Constant Percentage 3**" is as defined in Payout Condition 2.12.

"**Constant Percentage 4**" is as defined in Payout Condition 2.12.

"**control**" is as defined in Security Condition 1.

"**Conversion Event**" is as defined in Share Security Condition 8.

"**Convertible Bond Collateral**" is as defined in the Annex to the Additional Terms and Conditions for Secured Securities, Condition 3(e).

"**Coupon Airbag Percentage**" is as defined in Payout Condition 2.12.

"**Coupon Airbag Percentage 1**" is as defined in Payout Condition 2.12.

"**Coupon Airbag Percentage 2**" is as defined in Payout Condition 2.12.

"**Coupon Percentage**" is as defined in Payout Condition 1.4.

"**Covered Bond Collateral**" is as defined in the Annex to the Additional Terms and Conditions for Secured Securities, Condition 3(f).

"**Credit Derivatives Auction Settlement Terms**" is as defined in Credit Security Condition 9.

"**Credit Derivatives Definitions**" is as defined in Credit Security Condition 9.

"**Credit Derivatives Determinations Committee**" is as defined in Credit Security Condition 9.

"**Credit Event**" is as defined in Credit Security Condition 9.

"**Credit Event Backstop Date**" is as defined in Credit Security Condition 9.

"**Credit Event Cash Settlement Amount**" is as defined in Credit Security Condition 9.

"**Credit Event Notice**" is as defined in Credit Security Condition 9.

"**Credit Event Resolution Request Date**" is as defined in Credit Security Condition 9.

"**Credit Event Settlement Amount**" is as defined in the Collateral Security Conditions.

"**Credit Event Valuation Date**" is as defined in the Collateral Security Conditions.

"**Credit Linked Note Collateral**" is as defined in the Annex to the Additional Terms and Conditions for Secured Securities, Condition 3(b).

"**Credit Observation Period End Date**" is as defined in Credit Security Condition 9.

"**Credit Securities**" is as defined in Credit Security Condition 9 and in Security Condition 2.1.

"**Credit Security Conditions**" is as defined in Annex 12, paragraph 1.

"**Credit Unwind Costs**" is as defined in Credit Security Condition 9.

"**CREST Dematerialised Securities**" is as defined in Security Condition 1.

"**CREST Dematerialised Warrants**" is as defined in Security Condition 19.

"**Currency Amount**" is as defined in Credit Security Condition 9.

"**Currency Event**" is as defined in Security Condition 15.1.

"**Currency Rate**" is as defined in Credit Security Condition 9.

"**Currency Rate Source**" is as defined in Credit Security Condition 9.

"**Currency Securities**" is as defined in Security Condition 2.1.

"**Currency Security Conditions**" is as defined in Annex 8, paragraph 1.

"**Current Exchange-traded Contract**" is as defined in Index Security Condition 9.1 and in Debt Security Condition 6.

"**Custodian**" is as defined in Security Condition 20.

"**Custom Index**" or "**Custom Indices**" is as defined in Index Security Condition 8.

"**Custom Index Adjustment Event**" is as defined in Index Security Condition 6.2.

"**Custom Index Business Day**" is as defined in Index Security Condition 8.

"**Custom Index Business Day (All Indices Basis)**" is as defined in Index Security Condition 8.

"**Custom Index Business Day (Per Index Basis)**" is as defined in Index Security Condition 8.

"**Custom Index Business Day (Single Index Basis)**" is as defined in Index Security Condition 8.

"**Custom Index Cancellation**" is as defined in Index Security Condition 6.2.

"**Custom Index Correction Period**" is as defined in Index Security Condition 8.

"**Custom Index Disruption Event**" is as defined in Index Security Condition 6.2.

"**Custom Index Modification**" is as defined in Index Security Condition 6.2.

"**Custom Index Trading Day**" is as defined in Index Security Condition 8.

"**Cut-Off Date**" is as defined in Inflation Index Security Condition 1.

"**Daily Settlement Price**" is as defined in Debt Security Condition 6.

"**Danish Dematerialised Securities**" is as defined in Security Condition 1.

"**Danish Dematerialised Warrants**" is as defined in Condition 19.

"**Danish Record Date**" is as defined in Security Condition 24.7.

"**Danish Securities Trading Act**" is as defined in Security Condition 1.

"**Danish Security Agent**" is as defined in Terms and Conditions of the Securities, paragraph 4.

"**DC Announcement Coverage Cut-off Date**" is as defined in Credit Security Condition 9.

"**DC Credit Event Announcement**" is as defined in Credit Security Condition 9.

"**DC Credit Event Meeting Announcement**" is as defined in Credit Security Condition 9.

"**DC Credit Event Question**" is as defined in Credit Security Condition 9.

"**DC Credit Event Question Dismissal**" is as defined in Credit Security Condition 9.

"**DC No Credit Event Announcement**" is as defined in Credit Security Condition 9.

"**DC Resolution**" is as defined in Credit Security Condition 9.

"**DC Resolution Reversal Cut-off Date**" is as defined in Credit Security Condition 9.

"**DC Secretary**" is as defined in Credit Security Condition 9.

"**Debt Collateral Securities**" is as defined in the Annex to the Additional Terms and Conditions for Secured Securities, Condition 3.

"**Debt Collateral Security**" is as defined in the Annex to the Additional Terms and Conditions for Secured Securities, Condition 3.

"**Debt Instrument Correction Period**" is as defined in Debt Security Condition 11.

"**Debt Instrument Issuer**" is as defined in Debt Security Condition 11.

"**Debt Instrument Redemption Event**" is as defined in Debt Security Condition 5.

"**Debt Securities**" is as defined in Security Condition 2.1.

"**Debt Security Conditions**" is as defined in Annex 5, paragraph 1.

"**Default Notification**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Default Requirement**" is as defined in Credit Security Condition 9.

"**Definitive Security Agent**" is as defined in the Terms and Conditions of the Securities, paragraph 5.

"**Delayed Index Level Event**" is as defined in Inflation Index Security Condition 1.

"**Delayed Payment Cut-off Date**" is as defined in Fund Security Condition 1.

"**Delayed Payment Notice**" is as defined in Fund Security Condition 5.

"**De-Listing**" is as defined in Share Security Condition 4.1.

"**Deliverable Obligation**" is as defined in Credit Security Condition 9.

"**Deliverable Obligation Category**" is as defined in Credit Security Condition 9.

"**Deliverable Obligation Characteristics**" is as defined in Credit Security Condition 9.

"**Deliverable Obligation Provisions**" is as defined in Credit Security Condition 9.

"**Deliverable Obligation Terms**" is as defined in Credit Security Condition 9.

"**Delivery Date**" is as defined in the Commodity Security Condition 1.

"**Delivery Share**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Designated Maturity**" is as defined in Underlying Interest Rate Security Condition 2.

"**Digital Cap Percentage 1**" is as defined in Payout Condition 3.6.

"**Digital Cap Percentage 2**" is as defined in Payout Condition 3.6.

"**Digital Floor Percentage 1**" is as defined in Payout Condition 3.6.

"**Digital Floor Percentage 2**" is as defined in Payout Condition 3.6.

"**Digital Plus Percentage 1**" is as defined in Payout Condition 3.6.

"**Digital Plus Percentage 2**" is as defined in Payout Condition 3.6.

"**Direct Loan Participation**" is as defined in Credit Security Condition 9.

"**Disappearance of Commodity Reference Price**" is as defined in Commodity Security Condition 1.

"**Dispute**" is as defined in Security Condition 14.1.

"**Dispute Period**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Disqualified Transferee**" is as defined in Security Condition 2.4(c).

"**Disrupted Amount**" is as defined in Security Condition 5.6(v).

"**Disrupted Day**" is as defined in Index Security Conditions 1 and 8, in Share Security Condition 1, in ETI Security Condition 1, in Debt Security Condition 11, in Currency Security Condition 1 and in Futures Security Condition 1.

"**Disrupted Settlement Date**" is as defined in Security Condition 5.6(v).

"**Disruption Cash Settlement Price**" is as defined in Security Condition 5.1.

"**Disruption Fallback**" is as defined in Commodity Security Condition 1 and Currency Security Condition 3.

"**Distributed Amount**" is as defined in Share Security Condition 6.

" $\text{div}_t^{\text{gross}}$ " is as defined in Payout Condition 1.5.

" $\text{div}_t^{\text{net}}$ " is as defined in Payout Condition 1.5.

"**Div Percentage**" is as defined in Payout Condition 1.1(s).

"**div reinvested factor<sub>(t)</sub>**" is as defined in Payout Condition 1.1(s).

"**Dividend Date**" is as defined in Share Security Condition 6.

"**Dividend Event**" is as defined in ETI Security Condition 1.

"**Dividend Expenses**" is as defined in Share Security Condition 6.

"**Dividend Percentage**" is as defined in Payout Conditions 1.5.

"**Documents**" is as defined in Security Condition 13.5(b).

"**Domestic Currency**" is as defined in Credit Security Condition 9.

"**Domestic Law**" is as defined in Credit Security Condition 9.

"**Down Call**" is as defined in Payout Condition 2.2(f)(vi).



**"Down Call Spread"** is as defined in Payout Condition 2.2(f)(vi).

**"Down Cap Percentage"** is as defined in Payout Condition 2.12.

**"Down Final Redemption Value"** is as defined in Payout Condition 2.12.

**"Down Floor Percentage"** is as defined in Payout Condition 2.12.

**"Down Forward"** is as defined in Payout Condition 2.2(f)(vi).

**"Down Put"** is as defined in Payout Condition 2.2(f)(vi).

**"Down Put Spread"** is as defined in Payout Condition 2.2(f)(vi).

**"Down Strike Percentage"** is as defined in Payout Condition 2.12.

**"Downside Participation Factor"** is as defined in Payout Condition 1.4.

**"Downstream Affiliate"** is as defined in Credit Security Condition 9.

**"DTC"** is as defined in Security Condition 20.

**"Dual Exchange Rate"** is as defined in Currency Security Condition 1.

**"Due and Payable Amount"** is as defined in Credit Security Condition 9.

**"due exercise"** is as defined in Security Condition 23.4.

**"Early Closure"** is as defined in Index Security Condition 1, Share Security Condition 1, ETI Security Condition 1 and Futures Security Condition 1.

**"EDS"** is as defined in Payout Condition 2.2(b) and 2.2(e)(i).

**"EDS Barrier Percentage"** is as defined in Payout Condition 2.12.

**"Eligible ABS Collateral"** is as defined in the Annex to the Additional Terms and Conditions for Secured Securities, Condition 4.

**"Eligible Cash"** is as defined in the Annex to the Additional Terms and Conditions for Secured Securities Condition 1.

**"Eligible Collateral"** is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

**"Eligible Debt Collateral"** is as defined in the Annex to the Additional Terms and Conditions for Secured Securities, Condition 3.

**"Eligible Equity Collateral"** is as defined in the Annex to the Additional Terms and Conditions for Secured Securities Condition 2.

**"Eligible Fund Collateral"** is as defined in the Annex to the Additional Terms and Conditions for Secured Securities, Condition 5.

**"Eligible Information"** is as defined in Credit Security Condition 9.

**"Eligible Transferee"** is as defined in Credit Security Condition 9.

**"Enforcement Event"** is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Enforcement Expenses**" is as defined in the Collateral Security Conditions, Part A and Part C, Collateral Security Condition 1.

"**Enforcement Notice**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**English Law Agency Agreement**" as defined in Terms and Conditions of Securities, paragraph 7.

"**English Law Securities**" is as defined in Security Condition 1.

"**English Law Warrants**" is as defined in Security Condition 19.

"**Entitlement**" is as defined in Security Condition 19

"**Entitlement Amount**" is as defined in Payout Condition 2.4.

"**Entity**" is as defined in ETI Security Condition 1 and Fund Security Condition 1.

"**Equity Collateral Securities**" is as defined in the Annex to the Additional Terms and Conditions for Secured Securities, Condition 2.

"**ER Cap Percentage**" is as defined in Payout Condition 2.3(b).

"**ER Constant Percentage**" is as defined in Payout Condition 2.3(b).

"**ER Floor Percentage**" is as defined in Payout Condition 2.3(b).

"**ER Gearing**" is as defined in Payout Condition 2.3(b).

"**ER Spread**" is as defined in Payout Condition 2.3(b).

"**ER Strike Percentage**" is as defined in Payout Condition 2.3(b).

"**ER Value**" is as defined in Payout Condition 2.3(b).

"**Established Rate**" is as defined in Security Condition 17(b).

"**ETI**" is as defined in ETI Security Condition 1 and Condition 6.2(b).

"**ETI Basket**" is as defined in ETI Security Condition 1.

"**ETI Documents**" is as defined in ETI Security Condition 1.

"**ETI Interest(s)**" is as defined in ETI Security Condition 1 and Condition 6.2(b).

"**ETI Interest Correction Period**" is as defined in ETI Security Condition 1.

"**ETI Related Party**" is as defined in ETI Security Condition 1.

"**ETI Securities**" is as defined in Security Condition 2.1.

"**ETI Security Conditions**" is as defined in Annex 4, paragraph 1.

"**euro**" is as defined in Security Condition 17(b).

"**Euroclear**" is as defined in Security Condition 20

"**Euroclear Agreement**" is as defined in Terms and Conditions of the Securities, paragraph 5.

"**Euroclear Finland**" is as defined in Security Condition 1.

"**Euroclear Finland Register**" is as defined in Security Condition 1.

"**Euroclear Finland System**" is as defined in Security Condition 1.

"**Euroclear France Securities**" is as defined in Security Condition 2.2.

"**Euroclear France Warrants**" is as defined in Security Condition 23.1.

"**Euroclear Registrar**" is as defined in Terms and Conditions of the Securities, paragraph 5.

"**Euroclear Sweden**" is as defined in Security Condition 1.

"**Euronext Paris**" is as defined in Security Condition 10(a).

"**Euroclear Sweden Register**" is as defined in Security Condition 1.

"**Euroclear Sweden System**" is as defined in Security Condition 1.

"**European Style Warrants**" is as defined in Security Condition 21.

"**EuroTLX**" is as defined in Security Condition 19.

"**Event Determination Date**" is as defined in the Credit Security Condition 9.

"**Event Dispute Notice**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Event of Default**" is as defined in the Condition 6.1.

"**Excess Amount**" is as defined in the Credit Security Condition 9.

"**Exchange**" is as defined in Index Security Condition 1, in Share Security Condition 1, ETI Security Condition 1, Commodity Security Condition 1 and Futures Security Condition 1.

"**Exchange Bonds or Loans**" is as defined in the Credit Security Condition 9.

"**Exchange Business Day**" is as defined in Index Security Condition 1, in Share Security Condition 1, ETI Security Condition 1, Debt Security Condition 2 and Futures Security Condition 1.

"**Exchange Business Day (All ETI Interests Basis)**" is as defined in ETI Security Condition 1.

"**Exchange Business Day (All Futures Basis)**" is as defined in Futures Security Condition 1.

"**Exchange Business Day (All Indices Basis)**" is as defined in Index Security Condition 1.

"**Exchange Business Day (All Share Basis)**" is as defined in Share Security Condition 1.

"**Exchange Business Day (Per ETI Interest Basis)**" is as defined in ETI Security Condition 1.

"**Exchange Business Day (Per Future Basis)**" is as defined in Futures Security Condition 1.

"**Exchange Business Day (Per Index Basis)**" is as defined in Index Security Condition 1.

"**Exchange Business Day (Per Share Basis)**" is as defined in Share Security Condition 1.

"**Exchange Business Day (Single ETI Interest Basis)**" is as defined in ETI Security Condition 1.

**"Exchange Business Day (Single Future Basis)"** is as defined in Futures Security Condition 1.

**"Exchange Business Day (Single Index Basis)"** is as defined in Index Security Condition 1.

**"Exchange Business Day (Single Share Basis)"** is as defined in Share Security Condition 1.

**"Exchange Disruption"** is as defined in Index Security Condition 1, in Share Security Condition 1, ETI Security Condition 1 and Futures Security Condition 1.

**"Exchange Rate"** is as defined in Payout Condition 1.4.

**"Exchange Rate Final"** is as defined in Payout Condition 1.4.

**"Exchange Rate Initial"** is as defined in Payout Condition 1.4.

**"Exchange Rate Previous"** is as defined in Payout Condition 1.1(s).

**"exchange traded instrument"** is as defined in Security Condition 2.1.

**"Exchangeable Bond Collateral"** is as defined in the Annex to the Additional Terms and Conditions for Secured Securities, Condition 3(e).

**"Exchange-traded Contract"** is as defined in Index Security Condition 9.1 and in Debt Security Conditions 6 and 9(b).

**"Excluded Deliverable Obligation"** is as defined in Credit Security Condition 9.

**"Excluded Obligation"** is as defined in Credit Security Condition 9.

**"Ex-Dividend Date"** is as defined in Payout Condition 1.5.

**"Exempt Securities"** is as defined in the Terms and Conditions of the Securities, paragraph 2.

**"exercise"** is as defined in Security Condition 23.4.

**"Exercise Business Day"** is as defined in Security Condition 19.

**"Exercise Cut-off Date"** is as defined in Credit Security Condition 9.

**"Exercise Notice"** is as defined in Security Condition 23.1(a), Condition 24.1, Condition 24.2 and Condition 24.3.

**"Exercise Notice Delivery Date"** is as defined in Security Condition 24.10(c).

**"Exercise Price"** is as defined in Security Condition 1.

**"Expenses"** is as defined in Security Condition 11.2.

**"Expiration Date"** is as defined in Security Condition 19.

**"Express Amount"** is as defined in Payout Condition 1.4.

**"Extension Date"** is as defined in Credit Security Condition 9.

**"Extension Notice"** is as defined in Credit Security Condition 9.

**"Extraordinary ETI Event"** is as defined in ETI Security Condition 4.

**"Extraordinary ETI Event Effective Date"** is as defined in ETI Security Condition 1.

"**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 Event**" is as defined in Share Security Condition 4.1.

"**Extraordinary Event Effective Date**" is as defined in Share Security Condition 1.

"**Extraordinary External Event**" is as defined in Security Condition 15.1.

"**Extraordinary Fund Event**" is as defined in Fund Security Condition 2.

"**Extraordinary Fund Event Effective Date**" is as defined in Fund Security Condition 1.

"**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.

"**F**" is as defined in Payout Condition 1.5

"**Failure to Deliver due to Illiquidity**" is as defined in Security Condition 15.1.

"**Failure to Deliver Settlement Price**" is as defined in Security Condition 15.2(d).

"**Failure to Pay**" is as defined in Credit Security Condition 9.

"**Fallback Bond**" is as defined in Inflation Index Security Condition 1.

"**Fallback Collateral**" is as defined in the Collateral Security Conditions, Part A, Collateral Security Condition 1.

"**Fallback Condition**" is as defined in the Collateral Security Conditions, Part A, Collateral Security Condition 1.

"**Fallback Determination Date**" is as defined in the Collateral Security Conditions, Part A, Collateral Security Condition 1.

"**Fallback Settlement Event**" is as defined in Credit Security Condition 9.

"**FC<sub>t</sub>**" is as defined in Payout Condition 1.5.

"**Fee**" is as defined in Payout Condition 1.5.

"**fees**" is as defined in Payout Condition 1.1(s).

"**fees factor<sub>(t)</sub>**" is as defined in Payout Condition 1.1(s).

"**FI Constant Percentage 1**" is as defined in Payout Condition 3.6.

"**FI Digital Cap Condition**" is as defined in Payout Condition 3.6.

"**FI Digital Cap Level**" is as defined in Payout Condition 3.6.

"**FI Digital Floor Condition**" is as defined in Payout Condition 3.6.

"**FI Digital Floor Level**" is as defined in Payout Condition 3.6.

"**FI Digital Plus Condition**" is as defined in Payout Condition 3.6.

"**FI Digital Plus Level**" is as defined in Payout Condition 3.6.

"**FI Digital Value**" is as defined in Payout Condition 3.6.

"**FI Interest Valuation Date**" is as defined in Payout Condition 3.2.

"**FI Redemption Valuation Date**" is as defined in Payout Condition 3.6.

"**FI Valuation Date**" is as defined in Payout Condition 3.6.

"**Final Calculation Date**" is as defined in ETI Security Condition 1.

"**Final Cash Value**" is as defined in Payout Condition 1.1(gg).

"**Final Day Count Fraction**" is as defined in Payout Condition 3.6.

"**Final Interest Period**" is as defined in Payout Condition 3.6.

"**Final Interest Pricing Date**" is as defined in Commodity Security Condition 1.

"**Final List**" is as defined in Credit Security Condition 9.

"**Final List Publication Date**" is as defined in Credit Security Condition 9.

"**Final Payout**" is as defined in Payout Condition 1.1, Payout Condition 2.2 and Payout Condition 3.3.

"**Final Price**" is as defined Credit Security Condition 9.

"**Final Pricing Date**" is as defined in Commodity Security Condition 1.

"**Final Redemption Condition**" is as defined in Payout Condition 2.12.

"**Final Redemption Condition 1**" is as defined in Payout Condition 2.12.

"**Final Redemption Condition 2**" is as defined in Payout Condition 2.12.

"**Final Redemption Condition Level**" is as defined in Payout Condition 2.5(a).

"**Final Redemption Condition Level 2**" is as defined in Payout Condition 2.5(a).

"**Final Redemption Value**" is as defined in Payout Condition 2.12.

"**Final Security Value**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Final Settlement Price**" is as defined in Payout Condition 3.6.

"**Financing Component<sub>(t)</sub>**" is as defined in Payout Condition 1.5.

"**Finnish Agency Agreement**" is as defined in Terms and Conditions of Securities, paragraph 5.

"**Finnish Dematerialised Securities**" is as defined in Security Condition 1.

"**Finnish Dematerialised Warrants**" is as defined in Security Condition 19.

"**Finnish Security Agent**" is as defined in the Terms and Conditions of the Securities, paragraph 4.

"**First Entity**" is as defined in Security Condition 1.

"**First Obligation**" is as defined in Credit Security Condition 9.

"**First Ranking**" is as defined in Credit Security Condition 9.

"**First Ranking Interest**" is as defined in Credit Security Condition 9.

"**First Traded Price**" is as defined in Index Security Condition 9.1.

"**First Valuation Date**" is as defined in Payout Condition 1.1(s).

"**Fixed Cap**" is as defined in Credit Security Condition 9.

"**Floating Rate**" is as defined in Underlying Interest Rate Security Condition 2.

"**Floating Rate Option**" is as defined in Underlying Interest Rate Security Condition 2.

"**Floor**" is as defined in Payout Condition 3.2 and 3.6.

"**Floor Percentage**" is as defined in Payout Condition 2.12.

"**Form of Auction Settlement Terms**" is as defined in Annex A to the Additional Terms and Conditions for Credit Warrants - Auction Settlement.

"**Formula**" is as defined in Payout Condition 4.

"**Formula Constituent**" is as defined in Payout Condition 4.

"**Forward**" is as defined in Payout Condition 2.2(b), 2.2(e)(i)(C) and 2.2(e)(ii)(D).

"**FR Athena up Rate**" is as defined in Payout Condition 2.5(b).

"**FR Barrier Value**" is as defined in Payout Condition 2.12.

"**FR Barrier Value 2**" is as defined in Payout Condition 2.12.

"**FR Calculation Period**" is as defined in Payout Condition 2.5(b).

"**FR Cap Percentage**" is as defined in Payout Condition 2.5(b).

"**FR Constant Percentage**" is as defined in Payout Condition 2.5(b).

"**FR Exit Rate**" is as defined in Payout Condition 2.5(b).

"**FR Floor Percentage**" is as defined in Payout Condition 2.5(b).

"**FR Gearing**" is as defined in Payout Condition 2.5(b).

"**FR Rate**" is as defined in Payout Condition 2.5(b).

"**FR Redemption Percentage**" is as defined in Payout Condition 2.5(b).

"**FR Reference Rate**" is as defined in Payout Condition 2.5(b).

"**FR Spread**" is as defined in Payout Condition 2.5(b).

"**FR Strike Percentage**" is as defined in Payout Condition 2.5(b).

"**FR Value**" is as defined in Payout Condition 2.5(b).

"**Frankfurt Warrant Agent**" is as defined in the Terms and Conditions of the Securities, paragraph 4.

"**freely tradable**" is as defined in Security Condition 5.4.

"**French Law Agency Agreement**" is as defined in the Terms and Conditions of the Securities, paragraph 7.

"**French Law Securities**" is as defined in Security Condition 1.

"**French Law Warrants**" is as defined in Security Condition 19.

"**French Security Agent**" is as defined in the Terms and Conditions of the Securities, paragraph 4.

"**Full Quotation**" is as defined in Credit Security Condition 9.

"**Fully Transferable Obligation**" is as defined in the Credit Security Condition 9.

"**Fund**" is as defined in Fund Security Condition 1 and Fund Security Condition 2.38(i).

"**Fund Basket**" is as defined in Fund Security Condition 1.

"**Fund Business Day**" is as defined in Fund Security Condition 1.

"**Fund Business Day (All Fund Shares Basis)**" is as defined in Fund Security Condition 1.

"**Fund Business Day (Single Fund Share Basis)**" is as defined in Fund Security Condition 1.

"**Fund Collateral Securities**" is as defined in the Annex to the Additional Terms and Conditions for Secured Securities, Condition 5.

"**Fund Documents**" is as defined in Fund Security Condition 1.

"**Fund Index**" is as defined in Fund Security Condition 1.

"**Fund Index Adjustment Event**" is as defined in Fund Security Condition 6.

"**Fund Index Cancellation**" is as defined in Fund Security Condition 6.

"**Fund Index Component**" is as defined in Fund Security Condition 1.

"**Fund Index Disruption**" is as defined in Fund Security Condition 6.

"**Fund Index Modification**" is as defined in Fund Security Condition 6.

"**Fund Index Sponsor**" is as defined in Fund Security Condition 1.

"**Fund Securities**" is as defined in Security Condition 2.1.

"**Fund Security Conditions**" is as defined in Annex 9, paragraph 1.

"**Fund Service Provider**" is as defined in Fund Security Condition 1.

"**Fund Share(s)**" is as defined in Fund Security Condition 1 and Fund Security Condition 2.38(ii).

"**Fund Valuation Date**" is as defined in Fund Security Condition 1.

"**Further Subordinated Obligation**" is as defined in Credit Security Condition 9.

"**Future**" or "**Futures**" is as defined in Futures Security Condition 1.

"**Futures Adjustment Event**" is as defined in Futures Security Condition 3.1.



"**Futures Contract**" is as defined in Commodity Security Condition 1.

"**Futures Correction Period**" is as defined in Futures Security Condition 1.

"**Futures De-Listing**" is as defined in Futures Security Condition 3.1.

"**Futures Modification**" is as defined in Futures Security Condition 3.1.

"**Futures or Options Exchange**" is as defined in Index Security Condition 9.1 and in Debt Security Condition 6.

"**Futures Replacement**" is as defined in Futures Security Condition 3.1.

"**Futures Rollover Date**" is as defined in Commodity Security Condition 1, in Index Security Condition 9.1 and in Debt Security Condition 6.

"**Futures Rollover Period**" is as defined in Commodity Security Condition 1, in Index Security Condition 9.1, and in Debt Security Condition 6.

"**Futures Securities**" is as defined in Security Condition 2.1.

"**Futures Security Conditions**" is as defined in Annex 10, paragraph 1.

"**FX<sub>(i)</sub>**" is as defined in Payout Condition 2.4(a), 2.4(b) and 2.4(c);

"**FX<sub>(k,i)</sub>**" is as defined in Payout Condition 2.4(d).

"**FX<sub>(t)</sub>**" is as defined in Payout Condition 1.1(s).

"**FX<sub>(t0)</sub>**" is as defined in Payout Condition 1.1(s).

"**FX Averaging Date**" is as defined in Currency Security Condition 1.

"**FX Digital Level**" is as defined in Currency Security Condition 1.

"**FX Digital Observation Date**" is as defined in Currency Security Condition 1.

"**FX Knock-in Level**" is as defined in Currency Security Condition 1.

"**FX Knock-out Level**" is as defined in Currency Security Condition 1.

"**FX Settlement Disruption Currency**" is as defined in Security Condition 5.6(v).

"**FX Settlement Disruption Cut-off Date**" is as defined in Security Condition 5.6(ii)(A).

"**FX Settlement Disruption Event**" is as defined in Security Condition 5.6(v).

"**FX Settlement Disruption Exchange Rate**" is as defined in Security Condition 5.6(v).

"**FX Settlement Disruption Expenses**" is as defined in Security Condition 5.6(v).

"**FX Settlement Disruption Notice**" is as defined in Security Condition 5.6(i).

"**FX Value**" is as defined in Payout Condition 2.6(a).

"**FX Weighting**" is as defined in Payout Condition 3.6.

"**G**" is as defined in Payout Condition 3.6.

"**GDR**" is as defined in Share Security Condition 8.

"**GDR/ADR**" is as defined in Security Condition 2.1.

"**GDRs**" is as defined in the Annex to the Additional Terms and Conditions for Secured Securities Condition 2(f).

"**Gear Down**" is as defined in Payout Condition 2.12.

"**Gear Up 1**" is as defined in Payout Condition 2.12.

"**Gear Up 2**" is as defined in Payout Condition 2.12.

"**Gearing**" is as defined in Payout Condition 2.12 and Payout Condition 3.6.

"**Gearing A**" is as defined in Payout Condition 3.6.

"**Gearing B**" is as defined in Payout Condition 3.6.

"**Gearing Down**" is as defined in Payout Condition 2.12.

"**Gearing Up**" is as defined in Payout Condition 2.12.

"**General Meeting**" is as defined in Security Condition 9.4(b).

"**Global Floor Percentage**" is as defined in Payout Condition 2.12.

"**Global Security**" is as defined in Security Condition 1.

"**Global Warrant**" is as defined in Security Condition 20.

"**Government Authority**" is as defined in Security Condition 15.1.

"**Governmental Authority**" is as defined in Credit Security Condition 9.

"**Governmental Intervention**" is as defined in Credit Security Condition 9.

"**Grace Period**" is as defined in Credit Security Condition 9.

"**Grace Period Business Day**" is as defined in Credit Security Condition 9.

"**Grace Period Extension Date**" is as defined in Credit Security Condition 9.

"**Greatest Basket Value**" is as defined in Payout Condition 2.7(b).

"**Greatest Best Intraday Value**" is as defined in Payout Condition 2.7(b).

"**Greatest Rainbow Value**" is as defined in Payout Condition 2.7(b).

"**Greatest Underlying Reference Intraday Value**" is as defined in Payout Condition 2.7(a).

"**Greatest Underlying Reference Value**" is as defined in Payout Condition 2.7(a).

"**Greatest Underlying Reference Value (Basket)**" is as defined in Payout Condition 2.7(b).

"**Greatest Worst Value**" is as defined in Payout Condition 2.7(b).

"**Gross div<sub>(ti)</sub>**" is as defined in Payout Condition 1.1(s).

"**Guarantee**" is as defined in Security Condition 1 and in the Credit Security Conditions, Condition 9.

"**Guaranteed Cash Settlement Amount**" is as defined in Security Condition 4.

"**Guarantor**" is as defined in Security Condition 1.

"**Haircut**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**hc**" is as defined in Payout Condition 1.5.

"**Hedge**" is as defined in Security Condition 15.1.

"**Hedge Disruption Event**" is as defined in Credit Security Condition 9.

"**Hedge Fund**" is as defined in Fund Security Condition 1.

"**Hedge Provider**" is as defined in ETI Security Condition 1 and Fund Security Condition 1.

"**Hedge Transaction**" is as defined in the Collateral Security Conditions, Part A, Condition 1 and in the Credit Security Conditions, Condition 9.

"**Hedging Cost**" is as defined in Payout Condition 1.5.

"**Hedging Date**" is as defined in ETI Security Condition 1 and Fund Security Condition 1.

"**Hedging Disruption**" is as defined in Credit Security Condition 9 and Security Condition 15.1.

"**Hedging Disruption Event**" is as defined in Credit Security Condition 9.

"**Hedging Liquidity Event**" is as defined in Share Security Condition 4.3(a).

"**Hedging Shares**" is as defined in ETI Security Condition 1 and in Security Condition 15.1.

"**Highest Value**" is as defined in Security Condition 26.1.

"**Holder**" is as defined in Security Condition 2.2 and Security Condition 22.

"**Holder of Securities**" is as defined in Security Condition 2.2.

"**Holder Priority of Payments**" is as defined in the Collateral Security Conditions, Part A, Condition 1.

"**Hybrid Securities**" is as defined in Security Condition 2.1.

"**Hypothetical Investor**" is as defined in ETI Security Condition 1 and Fund Security Condition 1.

"**i**" is as defined in Payout Condition 2.12.

"**i**" is as defined in Payout Condition 1.4.

"**Iberclear**" is as defined in Security Condition 1.

"**Illiquidity**" is as defined in Share Security Condition 4.1.

"**Illiquidity Disruption**" is as defined in Currency Security Condition 1.

"**Implied Embedded Option Value**" is as defined in ETI Security Condition 1 and Fund Security Condition 1.

**"Implied Embedded Option Value Determination Date"** is as defined in ETI Security Condition 1 and Fund Security Condition 1.

**"Increased Cost of Collateral Assets"** is as defined in the Collateral Security Conditions, Part A and Part C, Condition 7.1(c).

**"Increased Cost of Hedging"** is as defined in Security Condition 15.1 and in Credit Security Condition 9.

**"Increased Cost of Stock Borrow"** is as defined in Security Condition 15.1.

**"Index"** and **"Indices"** is as defined in Index Security Condition 1.

**"Index<sub>t</sub>"** is as defined in Payout Condition 2.6(a).

**"Index<sub>t-1</sub>"** is as defined in Payout Condition 2.6(a).

**"Index Adjustment Event"** is as defined in Index Security Condition 3.2.

**"Index Cancellation"** is as defined in Index Security Condition 3.2 and Inflation Index Security Condition 1.

**"Index Component"** is as defined in Commodity Security Condition 1 and Commodity Security Condition 3(b).

**"Index Component Disruption Event"** is as defined in Commodity Security Condition 1.

**"Index Correction Period"** is as defined in Index Security Condition 1.

**"Index Disruption"** is as defined in Index Security Condition 3.2.

**"Index Modification"** is as defined in Index Security Condition 3.2 and in Inflation Index Security Condition 1.

**"Index Securities"** is as defined in Security Condition 2.1.

**"Index Security Conditions"** is as defined in Index Security Conditions, paragraph 1.

**"Index Sponsor"** is as defined in the Credit Security Conditions, , Condition 9, in Index Security Condition 1, in Index Security Condition 8 and in Inflation Index Security Condition 1.

**"Inflation Index"** or **"Inflation Indices"** is as defined in Inflation Index Security Condition 1.

**"Inflation Index<sub>(base)</sub>"** is as defined in Payout Condition 3.6.

**"Inflation Index Securities"** is as defined in Security Condition 2.1.

**"Inflation Index Security Conditions"** is as defined in Annex 7, paragraph 1.

**"Inflation Rate"** is as defined in Payout Condition 3.6.

**"Initial Calculation Date"** is as defined in ETI Security Condition 1 and Fund Security Condition 1.

**"Initial Interest Pricing Date"** is as defined in Commodity Security Condition 1.

**"Initial Pricing Date"** is as defined in Commodity Security Condition 1.

**"Initial Settlement Price"** is as defined in Payout Condition 3.6.

**"Initial Stock Loan Rate"** is as defined in Security Condition 15.1.

**"Initial Valuation Date"** is as defined in Payout Condition 1.1(s).

**"Insolvency"** is as defined in Share Security Condition 4.1.

**"Insolvency Filing"** is as defined in Security Condition 15.1.

**"Interest"** is as defined in Credit Security Condition 9.

**"Interest Margin"** is as defined in Payout Condition 1.5.

**"Interests"** is as defined in ETI Security Condition 1.

**"Interest Pricing Date"** is as defined in Commodity Security Condition 1.

**"Intermediary"** is as defined in Security Condition 19.

**"Intraday Level"** is as defined in Index Security Condition 1 and in Index Security Condition 8.

**"Intraday Price"** is as defined in Share Security Condition 1, ETI Security Condition 1 and Commodity Security Condition 1.

**"Investment/AUM Level"** is as defined in ETI Security Condition 1.

**"Investor Representation Letter"** is as defined in Security Condition 2.4.

**"ISDA"** is as defined in Credit Security Condition 9, Annex A to the Additional Terms and Conditions for Credit Warrants - Auction Settlement.

**"ISDA Definitions"** is as defined in Underlying Interest Rate Security Condition 2.

**"Issuer"** as defined in Terms and Conditions of Securities, paragraph 3, in the Collateral Security Conditions, Part A, Condition 1.

**"Italian Dematerialised Securities"** is as defined in Security Condition 1.

**"Italian Dematerialised Warrants"** is as defined in Security Condition 1 and in Condition 19.

**"Italian Listed Securities"** is as defined in Security Condition 1.

**"Italian Listed Warrants"** is as defined in Security Condition 19.

**"Italian Securities Reference Price"** is as defined in Share Security Condition 1.

**"Italian Security Agent"** is as defined in Terms and Conditions of Securities, paragraph 5.

**"j"** is as defined in Payout Condition 2.12.

**"Joint Relevant Obligation"** is as defined in Credit Security Condition 5(a)(iv).

**"Joint Potential Successor"** is as defined in Credit Security Condition 5(a)(iv).

**"Jurisdiction Event"** is as defined in Security Condition 15.1.

**"k"** is as defined in Payout Condition 2.12.

**"Knock-in Averaging Date"** is as defined in Currency Security Condition 1.

"**Knock-in Determination Day**" is as defined in Security Condition 16.7.

"**Knock-in Determination Period**" is as defined in Security Condition 16.7.

"**Knock-In Event**" is as defined in Security Condition 16.7.

"**Knock-In Level**" is as defined in Security Condition 16.7.

"**Knock-in Observation Date**" is as defined in Currency Security Condition 1.

"**Knock-in Observation Price Source**" is as defined in Security Condition 16.7.

"**Knock-in Period Beginning Date**" is as defined in Security Condition 16.7.

"**Knock-in Period Ending Date**" is as defined in Security Condition 16.7.

"**Knock-in Range Level**" is as defined in Security Condition 16.7.

"**Knock-in Valuation Time**" is as defined in Security Condition 16.7.

"**Knock-out Averaging Date**" is as defined in Currency Security Condition 1.

"**Knock-out Determination Day**" is as defined in Security Condition 16.7.

"**Knock-out Determination Period**" is as defined in Security Condition 16.7.

"**Knock-out Event**" is as defined in Security Condition 16.7.

"**Knock-out Level**" is as defined in Security Condition 16.7.

"**Knock-out Observation Date**" is as defined in Currency Security Condition 1.

"**Knock-out Observation Price Source**" is as defined in Security Condition 16.7.

"**Knock-out Period Beginning Date**" is as defined in Security Condition 16.7.

"**Knock-out Period Ending Date**" is as defined in Security Condition 16.7.

"**Knock-out Range Level**" is as defined in Security Condition 16.7.

"**Knock-out Valuation Time**" is as defined in Security Condition 16.7.

"**Knock-out Value**" is as defined in Security Condition 16.7.

"**L**" is as defined in Payout Condition 1.4 and Payout Condition 1.5.

"**Largest Asset Package**" is as defined in Credit Security Condition 9.

"**Latest Level**" is as defined in Inflation Index Security Condition 2(b).

"**Latest Maturity Restructured Bond or Loan**" is as defined in Credit Security Condition 9.

"**Legacy Reference Entity**" is as defined in Credit Security Condition 5(b)(ii).

"**Level**" is as defined in Security Condition 16.7.

"**Leverage Factor**" is as defined in Payout Condition 1.5.

"**Limitation Date**" is as defined in Credit Security Condition 9.

"**Limited Diversification**" is as defined in the Collateral Security Conditions, Part C, Condition 1.

"**Limit Price Event**" is as defined in the Commodity Security Conditions, Condition 1.

"**Linked Note Collateral**" is as defined in the Annex to the Additional Terms and Conditions for Secured Securities, Condition 3(a).

"**Listed**" is as defined in Credit Security Condition 9.

"**Listing Change**" is as defined in Share Security Condition 4.1.

"**Listing Date**" is as defined in Payout Condition 1.4.

"**Listing Suspension**" is as defined in Share Security Condition 4.1.

"**Loan**" is as defined in Credit Security Condition 9.

"**Loan Collateral**" is as defined in the Annex to the Additional Terms and Conditions for Secured Securities, Condition 3(d).

"**Loan Participation Note Collateral**" is as defined in the Annex to the Additional Terms and Conditions for Secured Securities, Condition 3(c).

"**Local Cap Percentage**" is as defined in Payout Condition 2.12.

"**Local Currency**" is as defined in Security Condition 15.1.

"**Local Floor Percentage**" is as defined in Payout Condition 2.12.

"**Local Time**" is as defined in Security Condition 1.

"**London Business Day**" is as defined in Credit Security Condition 9.

"**Loss of Stock Borrow**" is as defined in Security Condition 15.1 and in ETI Security Condition 1.

"**Loss Percentage**" is as defined in Payout Condition 2.12.

"**Lower Level**" is as defined in Payout Condition 1.4.

"**Lowest Basket Value**" is as defined in Payout Condition 2.8(b).

"**Lowest Best Value**" is as defined in Payout Condition 2.8(b).

"**Lowest Rainbow Value**" is as defined in Payout Condition 2.8(b).

"**Lowest Underlying Reference Intraday Value**" is as defined in Payout Condition 2.8(a).

"**Lowest Underlying Reference Value**" is as defined in Payout Condition 2.8(a).

"**Lowest Worst Intraday Value**" is as defined in Payout Condition 2.8(b).

"**Lowest Worst Value**" is as defined in Payout Condition 2.8(b).

"**LPN**" is as defined in Credit Security Condition 9.

"**LPN Issuer**" is as defined in Credit Security Condition 9.

"**LPN Reference Obligation**" is as defined in Credit Security Condition 9.

"**Luxembourg or Brussels time**" is as defined in Security Condition 23.4.

"**m**" is as defined in Payout Condition 2.12.

"**M**" is as defined in Payout Condition 2.12.

"**Madrid Security Agent**" is as defined in Terms and Conditions of Securities, paragraph 5.

"**Manual Exercise**" is as defined in Security Conditions 23.1(a).

"**Market Disruption Event**" is as defined in Index Security Condition 2, in Share Security Condition 2, ETI Security Condition 2, Debt Security Condition 3, Commodity Security Condition 1 and Futures Security Condition 2.

"**Market Value**" is as defined in Security Condition 26.2.

"**Material Change in Content**" is as defined in Commodity Security Condition 1.

"**Material Change in Formula**" is as defined in Commodity Security Condition 1.

"**Maximum Days of Disruption**" is as defined in Fund Security Condition 1.

"**Maximum Hedging Cost**" is as defined in Payout Condition 1.5.

"**Maximum Hedging Liquidity Level**" is as defined in Share Security Condition 4.3(a).

"**Maximum Interest Margin**" is as defined in Payout Condition 1.5.

"**Maximum Maturity**" is as defined in Credit Security Condition 9.

"**Maximum Payout Amount**" is as defined in Payout Condition 1.4.

"**Maximum Stock Loan Rate**" is as defined in ETI Security Condition 1 and in Security Condition 15.1.

"**Merger Event**" is as defined in Credit Security Condition 9, Share Security Condition 4.1, ETI Security Condition 1 and Fund Security Condition 1.

"**Merger Event Redemption Date**" is as defined in Credit Security Condition 9.

"**MID**" is as defined in Share Security Condition 4.1.

"**Min Coupon**" is as defined in Payout Condition 2.12.

"**Minimum Hedging Cost**" is as defined in Payout Condition 1.5.

"**Minimum Interest Margin**" is as defined in Payout Condition 1.5.

"**Minimum Quotation Amount**" is as defined in Credit Security Condition 9.

"**M(M)R Restructuring**" is as defined in Credit Security Condition 9.

"**Modified Eligible Transferee**" is as defined in Credit Security Condition 9.

"**Modified Restructuring Maturity Limitation Date**" is as defined in Credit Security Condition 9.



"**Modified Value<sub>(k)</sub>**" is as defined in Payout Condition 2.2(k).

"**Monte Titoli**" is as defined in Security Condition 20.

"**Moody's**" is as defined in ETI Security Condition 4.25 and Fund Security Condition 2.38.

"**Movement Option Cut-Off Date**" is as defined in Credit Security Condition 9.

"**MTM Value**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Multi-Exchange Index**" is as defined in Index Security Condition 1.

"**Multiple Holder Obligation**" is as defined in Credit Security Condition 9.

"**Mutual Fund**" is as defined in Fund Security Condition 1.

"**n**" is as defined in Payout Condition 1.4.

"**N**" is as defined in Credit Security Condition 9.

"**NA**" is as defined in the Payout Condition 2.12 and in Payout Condition 3.6.

"**National Currency Unit**" is as defined in Security Condition 17(b).

"**Nationalisation**" is as defined in Share Security Condition 4.1.

"**NAV per Fund Share**" is as defined in Fund Security Condition 1.

"**NAV Trigger Event**" is as defined in Fund Security Condition 1.

"**NAV Trigger Percentage**" is as defined in Fund Security Condition 1.

"**NAV Trigger Period**" is as defined in Fund Security Condition 1.

"**Nearby Month**" is as defined in Commodity Security Condition 1.

"**nEDS**" is as defined in Payout Condition 2.2(b) and 2.2(e)(i).

"**nEnd days**" is as defined in Payout Condition 2.12.

"**New York Security Agent**" is as defined in Terms and Conditions of Securities, paragraph 5.

"**New York time**" is as defined in Security Condition 23.4.

"**Next Currency Fixing Time**" is as defined in Credit Security Condition 9.

"**nfixed**" is as defined in Payout Condition 2.5(a).

"**No Auction Announcement Date**" is as defined in Credit Security Condition 9.

"**nominal value**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Non-Capped Reference Entity**" is as defined in Credit Security Condition 9.

"**Non-Commencement or Discontinuance of the Exchange-traded Contract**" is as defined in Index Security Condition 9.1.

"**Non-Conforming Reference Obligation**" is as defined in Credit Security Condition 9.

"**Non-Conforming Substitute Reference Obligation**" is as defined in Credit Security Condition 9.

"**Non-Financial Instrument**" is as defined in Credit Security Condition 9.

"**Non-Standard Reference Obligation**" is as defined in Credit Security Condition 9.

"**Non-Transferable Instrument**" is as defined in Credit Security Condition 9.

"**Not Bearer**" is as defined in Credit Security Condition 9.

"**Not Domestic Currency**" is as defined in Credit Security Condition 9.

"**Not Domestic Issuance**" is as defined in Credit Security Condition 9.

"**Not Domestic Law**" is as defined in Credit Security Condition 9.

"**Not Sovereign Lender**" is as defined in Credit Security Condition 9.

"**Not Subordinated**" is as defined in Credit Security Condition 9.

"**Notice Delivery Date**" is as defined in Credit Security Condition 9.

"**Notice Delivery Period**" is as defined in Credit Security Condition 9.

"**Notice of Physical Settlement**" is as defined in Credit Security Condition 9.

"**Notice of Publicly Available Information**" is as defined in Credit Security Condition 9.

"**Notional Credit Derivative Transaction**" is as defined in Credit Security Condition 9.

"**nStart days**" is as defined in Payout Condition 2.12.

"**Number (k,i)**" is as defined in Payout Condition 2.4;

"**Number of NAV Publication Days**" is as defined in Fund Security Condition 1.

"**Number of Value Publication Days**" is as defined in ETI Security Condition 1.

"**Obligation**" is as defined in Credit Security Condition 9.

"**Obligation Acceleration**" is as defined in Credit Security Condition 9.

"**Obligation Category**" is as defined in Credit Security Condition 9.

"**Obligation Characteristic**" is as defined in Credit Security Condition 9.

"**Obligation Currency**" is as defined in Credit Security Condition 9.

"**Obligation Default**" is as defined in Credit Security Condition 9.

"**Observation Date**" is as defined in Index Security Condition 8, in Security Condition 19, in Currency Security Condition 1 and in Fund Security Condition 1.

"**Observation Period**" is as defined in Index Security Condition 8 and in Security Condition 19.

"**Observation Price**" is as defined in Payout Condition 1.5.

"**Observation Price Source**" is as defined in Payout Conditions 1.4 and 1.5 and in Security Condition 24.12.

**"Observation Time Period"** is as defined in Payout Condition 1.5.

**"Official Settlement Price"** is as defined in Index Security Condition 9.1.

**"Operator"** is as defined in Security Condition 2.2.

**"Option"** is as defined in the Collateral Security Conditions, Part A, Condition 1, in Payout Condition 3.3(a), in Payout Condition 2.2(b)(i)(B), in Payout Condition 2.2(e)(i)(C) and in Payout Condition 2.2(e)(ii)(D).

**"Option Down"** is as defined in Payout Conditions 2.2(f)(vi), 2.2(f)(vii) and 2.2(f)(viii).

**"Option Hedging Date"** is as defined in Payout Condition 1.6.

**"Option Up"** is as defined in Payout Conditions 2.2(f)(vi), 2.2(f)(vii) and 2.2(f)(viii).

**"Option Value Amount"** is as defined in the Collateral Security Conditions, Part A, Condition 1.

**"Optional Additional Disruption Event"** is as defined in the Collateral Security Conditions, Part A and Part C, Condition 7.1(d) and in Security Condition 15.1.

**"Options Exchange"** is as defined in Share Security Condition 4.2(d) and ETI Security Condition 6.2(a)(ii).

**"Original Bonds"** is as defined in Credit Security Condition 9.

**"Original Currency"** is as defined in Security Condition 17(a)(ii).

**"Original Loans"** is as defined in Credit Security Condition 9.

**"Original Non-Standard Reference Obligation"** is as defined in Credit Security Condition 9.

**"Outstanding Amount"** is as defined in Credit Security Condition 9.

**"Outstanding Principal Balance"** is as defined in Credit Security Condition 9.

**"Package Observable Bond"** is as defined in Credit Security Condition 9.

**"Parallel Auction"** is as defined in Credit Security Condition 9.

**"Parallel Auction Cancellation Date"** is as defined in Credit Security Condition 9.

**"Parallel Auction Final Price Determination Date"** is as defined in Credit Security Condition 9.

**"Parallel Auction Settlement Terms"** is as defined in Credit Security Condition 9.

**"Parallel Notice of Physical Settlement Date"** is as defined in Credit Security Condition 9.

**"Parity Entitlement Amount"** is as defined in Payout Condition 1.6(a).

**"Partial Collateralisation Level"** is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

**"Partial Nominal Amount"** is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

**"Participating Bidders"** is as defined in the Annex to the Additional Terms and Conditions for Credit Securities - Auction Settlement Terms Annex.

**"Participation Factor"** is as defined in Payout Condition 1.4.

"**Payment**" is as defined in Credit Security Condition 9.

"**Payment Date**" is as defined. "**Payment Requirement**" is as defined in Credit Security Condition 9.

"**Payout Conditions**" is as defined in Annex 1, paragraph 1.

"**Payout Currency**" is as defined in Payout Condition 2.12.

"**Payout FX Closing Price Value**" is as defined in Payout Condition 2.12.

"**Payout FX Rate Date**" is as defined in Payout Condition 2.12.

"**Payout FX Rate Strike Date**" is as defined in Payout Condition 2.12.

"**Payout FX Strike Closing Price Value**" is as defined in Payout Condition 2.12.

"**Payout FX Value**" is as defined in Payout Condition 2.12.

"**Performance**" is as defined in Payout Condition 2.6(b).

"**Performance Value**" is as defined in Payout Condition 3.6.

"**Permanent Global Warrant**" is as defined in Security Condition 2.

"**Permissible Deliverable Obligations**" is as defined in Credit Security Condition 9.

"**Permitted Contingency**" is as defined in Credit Security Condition 9.

"**Permitted Transfer**" is as defined in Credit Security Condition 9.

"**Pfandbriefe Collateral**" is as defined in the Annex to the Additional Terms and Conditions for Secured Securities, Condition 3(g).

"**Physical Delivery of Collateral**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Physical Delivery Securities**" is as defined in Security Condition 1.

"**Physical Delivery Warrants**" is as defined in Security Condition 21.

"**Physical Portion Assets**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Physical Portion Percentage**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Physical Settlement Buy Request**" is as defined in the Annex to the Additional Terms and Conditions for Credit Securities - Auction Settlement Terms Annex.

"**Physical Settlement Matrix**" is as defined in Credit Security Condition 9.

"**Physical Settlement Sell Request**" is as defined in the Annex to the Additional Terms and Conditions for Credit Securities - Auction Settlement Terms Annex.

"**Physically Settled Portion**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Placed Secured Securities**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Pledge**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

**"Pledge Agreement"** is as defined in the Collateral Security Conditions, Part A, Condition 3.2 and Part C, Condition 3.2.

**"Pool Aggregate Final Security Value"** is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

**"Post Dismissal Additional Period"** is as defined in Credit Security Condition 9.

**"Postponed Settlement Date"** is as defined in Fund Security Condition 5.

**"Potential Adjustment Event"** is as defined in Share Security Condition 3 and ETI Security Condition 3.

**"Potential Adjustment Event Effective Date"** is as defined in Share Security Condition 3 and ETI Security Condition 3.

**"Potential Failure to Pay"** is as defined in Credit Security Condition 9.

**"Potential Repudiation/Moratorium"** is as defined in Credit Security Condition 9.

**"Premium Percentage"** is as defined in Payout Condition 1.4.

**"Price Source"** is as defined in Commodity Security Condition 1 and Currency Security Condition 1.

**"Price Source Disruption"** is as defined in Commodity Security Condition 1 and Currency Security Condition 1.

**"Pricing Date"** is as defined in Commodity Security Condition 1.

**"Principal Security Agent"** is as defined in Terms and Conditions of Securities, paragraph 5.

**"Prior Deliverable Obligation"** is as defined in Credit Security Condition 9.

**"Prior Reference Obligation"** is as defined in Credit Security Condition 9.

**"Priority of Payments"** is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

**"Private Equity Fund"** is as defined in Fund Security Condition 1.

**"Private Placement Definitive Securities"** is as defined in Security Condition 1.

**"Private Placement Definitive Warrant"** is as defined in Security Condition 20.

**"Private Placement Register"** is as defined in Security Condition 2.2.

**"Private-side Loan"** is as defined in Credit Security Condition 9.

**"Proceedings"** is as defined in Security Condition 14.2.

**"Prohibited Action"** is as defined in Credit Security Condition 9.

**"Prospectus Directive"** is as defined in Terms and Conditions of the Securities, paragraph 2.

**"Protection Factor"** is as defined in Payout Condition 1.4.

**"Protection Level"** is as defined in Payout Condition 1.4.

**"P<sub>SD</sub>"** is as defined in Payout Condition 1.6.

"**Public Source**" is as defined in Credit Security Condition 9.

"**Publicly Available Information**" is as defined in Credit Security Condition 9.

"**Put**" is as defined in Payout Condition 2.2(b)(i), in Payout Condition 2.2(e)(i)(C) and in Payout Condition 2.2(e)(ii)(D).

"**Put Spread**" is as defined in Payout Condition 2.2(b)(i), in Payout Condition 2.2(e)(i)(C) and in Payout Condition 2.2(e)(ii)(D).

"**Put Warrants**" is as defined in Security Condition 21.

"**PW**" is as defined in Payout Condition 2.2(h).

"**q**" is as defined in Payout Condition 2.12.

"**Q**" is as defined in Payout Condition 2.12.

"**QIBs**" is as defined in Security Condition 20.

"**Qualifying Affiliate Guarantee**" is as defined in Credit Security Condition 9.

"**Qualifying Guarantee**" is as defined in Credit Security Condition 9.

"**Qualifying Participation Seller**" is as defined in Credit Security Condition 9.

"**Quantum of the Claim**" is as defined in Credit Security Condition 9.

"**Quota**" is as defined in Security Condition 25.1(b).

"**Quotation**" is as defined in Credit Security Condition 9.

"**Quotation Amount**" is as defined in Credit Security Condition 9.

"**Rainbow Value**" is as defined in Payout Condition 2.6(c).

"**Ranked Value**" is as defined in Payout Condition 3.6.

"**Ranking**" is as defined in Payout Condition 2.6(c).

"**Rate Period**" is as defined in Payout Condition 1.5.

"**rc<sub>t-1</sub>**" is as defined in Payout Condition 1.5.

"**Realisation Amount**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Rebased Index**" is as defined in Inflation Index Security Condition 1 and Inflation Index Security Condition 4.5.

"**Redemption Payout**" is as defined in Payout Condition 2.12.

"**Redemption Proceeds**" is as defined in Fund Security Condition 5.

"**Reference Dealers**" is as defined in Commodity Security Condition 1.

"**Reference Entities**" is as defined in Credit Security Condition 9.

"**Reference Entity**" is as defined in Credit Security Condition 9.

"**Reference Entity Notional Amount**" is as defined in Credit Security Condition 9.

"**Reference Entity Weighting**" is as defined in Credit Security Condition 9.

"**Reference Floating Rate**" is as defined in Payout Condition 1.5.

"**Reference Floating Rate Option**" is as defined in Payout Condition 1.5.

"**Reference Floating Rate Option Page**" is as defined in Payout Condition 1.5.

"**Reference Floating Rate Option Time**" is as defined in Payout Condition 1.5.

"**Reference Interest Rate**" is as defined in Payout Condition 1.5.

"**Reference Level**" is as defined in Inflation Index Security Condition 2(b).

"**Reference Month**" is as defined in Inflation Index Security Condition 1.

"**Reference Obligation**" is as defined in Credit Security Condition 9.

"**Reference Obligation Only**" is as defined in Credit Security Condition 9.

"**Reference Obligation Only Trade**" is as defined in Credit Security Condition 9.

"**Reference Price**" is as defined in Debt Security Condition 11.

"**Register**" is as defined in Security Condition 22.

"**Registered Global Security**" is as defined in Security Condition 1.

"**Registered Global Warrant**" is as defined in Security Condition 20.

"**Registered Securities**" is as defined in Security Condition 1.

"**Registered Warrants**" is as defined in Security Condition 20.

"**Regulated Entity**" is as defined in Security Condition 27.2.

"**Regulation S**" is as defined in Security Condition 2.1.

"**Regulation S Global Security**" is as defined in Security Condition 1.

"**Regulation S Global Warrant**" is as defined in Security Condition 20.

"**Related Bond**" is as defined in Inflation Index Security Condition 1.

"**Related Bond Redemption Event**" is as defined in Inflation Index Security Condition 1.

"**Related Exchange**" is as defined in Share Security Condition 1 and ETI Security Condition 1.

"**Related Expenses**" is as defined in Security Condition 11.2.

"**Relative Performance Basket**" is as defined in Share Security Condition 1.

"**Relevant Adjustment Provisions**" is as defined in Security Conditions 16.7 and 24.12.

"**Relevant Annex**" is as defined in Credit Security Condition 9.

"**Relevant Automatic Early Expiration Valuation Date**" is as defined in Security Condition 24.12.

"**Relevant Basket<sub>(i)</sub>**" is as defined in Payout Condition 2.2(d)(iii).

"**Relevant Business Day**" is as defined in Payout Condition 1.5.

"**Relevant City Business Day**" is as defined in Credit Security Condition 9.

"**Relevant Currency**" is as defined in Security Condition 5.6(v).

"**Relevant Event**" is as defined in Fund Security Condition 2.28.

"**Relevant Guarantee**" is as defined in Credit Security Condition 9.

"**Relevant Holder**" is as defined in Credit Security Condition 9.

"**Relevant Level**" is as defined in Inflation Index Security Condition 1.

"**Relevant Obligations**" is as defined in Credit Security Condition 9.

"**Relevant Observation Time Period**" is as defined in Payout Condition 1.5.

"**Relevant Pairing**" is as defined in the Annex to the Additional Terms and Conditions for Credit Securities - Auction Settlement Terms Annex.

"**Relevant Period**" is as defined in Share Security Condition 4.1.

"**Relevant Price**" is as defined in Commodity Security Condition 1.

"**Relevant Resolution Authority**" is as defined in Security Condition 27.2.

"**Relevant Settlement Amount**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Relevant Settlement Date**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Relevant Valuation Date**" is as defined in Credit Security Condition 9.

"**Renouncement Notice**" is as defined in Security Condition 23.1.

"**Repayable Assets**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Replacement Reference Entity**" is as defined in Credit Security Condition 9.

"**Repo Counterparty**" is as defined in the Collateral Security Conditions, Part A, Condition 1.

"**Repo Counterparty Priority of Payments**" is as defined in the Collateral Security Conditions, Part A, Condition 1.

"**Representative Amount**" is as defined in Credit Security Condition 9.

"**Repudiation/Moratorium**" is as defined in Credit Security Condition 9.

"**Repudiation/Moratorium Evaluation Date**" is as defined in Credit Security Condition 9.

"**Repurchase Agreement**" is as defined in the Collateral Security Conditions, Part A, Condition 1.

"**Reset Date**" is as defined in Underlying Interest Rate Security Condition 2.

"**Reset Event**" is as defined in Payout Condition 1.1(gg).



"**Reset Event Determination Time**" is as defined in Payout Condition 1.1(gg).

"**Reset Price**" is as defined in Payout Condition 1.5.

"**Reset Threshold**" is as defined in Payout Condition 1.5.

"**Resettable Knock-in Period**" is as defined in Currency Security Condition 1;

"**Resettable Knock-out Period**" is as defined in Currency Security Condition 1;

"**Reset Threshold Percentage**" is as defined in Payout Condition 1.5.

"**Resettable Period**" is as defined in Currency Security Condition 1.

"**Resolve**" is as defined in Credit Security Condition 9.

"**Restrike Performance**" is as defined in Payout Condition 2.6(b).

"**Restructured Bond**" or "**Loan**" is as defined in Credit Security Condition 9.

"**Restructuring**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 7.1(e) and in Credit Security Condition 9.

"**Restructuring Date**" is as defined in Credit Security Condition 9.

"**Restructuring Maturity Limitation Date**" is as defined in Credit Security Condition 9.

"**Reverse Level**" is as defined in Payout Condition 1.4.

"**Reverse Percentage**" is as defined in Payout Condition 1.4.

"**Rollover Costs**<sub>t</sub>" is as defined in Payout Condition 1.5.

"**Rollover Costs**<sub>t-1</sub>" is as defined in Payout Condition 1.5.

"**Rolling Futures Contract Securities**" is as defined in Security Condition 1.

"**Rounding Amount**" is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Rule 144A**" is as defined in Security Condition 20.

"**Rule 144A Global Security**" is as defined in Security Condition 1.

"**Rule 144A Global Warrant**" is as defined in Security Condition 20.

"**Rule 144A Warrants**" is as defined in Security Condition 20.

"**Rules**" is as defined on Credit Security Condition 9.

"**S&P**" is as defined in ETI Security Condition 4.25 and Fund Security Condition 2.38.

"**Scheduled Averaging Date**" is as defined in Security Condition 19.

"**Scheduled Closing Time**" is as defined in Security Condition 1.

"**Scheduled Custom Index Business Day**" is as defined in Index Security Condition 8.

"**Scheduled Custom Index Business Day (All Indices Basis)**" is as defined in Index Security Condition 8.

**"Scheduled Custom Index Business Day (Per Index Basis)"** is as defined in Index Security Condition 8.

**"Scheduled Custom Index Business Day (Single Index Basis)"** is as defined in Index Security Condition 8.

**"Scheduled Pricing Date"** is as defined in Commodity Security Condition 1.

**"Scheduled Strike Date"** is as defined in Security Condition 1.

**"Scheduled Termination Date"** is as defined in the Credit Security Conditions, , Condition 9.

**"Scheduled Trading Day"** is as defined in Index Security Condition 1, in Share Security Condition 1, in ETI Security Condition 1, in Commodity Security Condition 1, in Currency Security Condition 1, in Futures Security Condition 1, in Fund Security Condition 1 and in Debt Security Condition 11.

**"Scheduled Trading Day (All ETI Interest Basis)"** is as defined in ETI Security Condition 1.

**"Scheduled Trading Day (All Futures Basis)"** is as defined in Futures Security Condition 1.

**"Scheduled Trading Day (All Indices Basis)"** is as defined in Index Security Condition 1.

**"Scheduled Trading Day (All Share Basis)"** is as defined in Share Security Condition 1.

**"Scheduled Trading Day (Per ETI Interest Basis)"** is as defined in ETI Security Condition 1.

**"Scheduled Trading Day (Per Future Basis)"** is as defined in Futures Security Condition 1.

**"Scheduled Trading Day (Per Index Basis)"** is as defined in Index Security Condition 1.

**"Scheduled Trading Day (Per Share Basis)"** is as defined in Share Security Condition 1.

**"Scheduled Trading Day (Single ETI Interest Basis)"** is as defined in ETI Security Condition 1.

**"Scheduled Trading Day (Single Future Basis)"** is as defined in Futures Security Condition 1.

**"Scheduled Trading Day (Single Index Basis)"** is as defined in Index Security Condition 1.

**"Scheduled Trading Day (Single Share Basis)"** is as defined in Share Security Condition 1.

**"Scheduled Valuation Date"** is as defined in Security Condition 1.

**"Secured Securities"** is as defined in Security Condition 2.1.

**"Securities Act"** is as defined in Security Condition 20.

**"Securities Collateral Value"** is as defined in the Collateral Security Conditions, Part A and Part C, Condition 3.2.

**"Securities Value"** is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

**"Security Expenses"** is as defined in Security Condition 11.1 and Security Condition 24.3(a)(iv).

**"Security Interests"** is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

**"Security Realised Amount"** is as defined in the Collateral Security Conditions, Part A, Condition 3.5 and in the Collateral Security Conditions and Part C.

**"Security Termination Amount"** is as defined in the Collateral Security Conditions, Part A and Part C, Condition 1.

"**Securities**" is as defined in the Terms and Conditions of the Securities, paragraph 3.

"**SeDeX**" is as defined in Security Condition 19;

"**Senior Obligation**" is as defined in Credit Security Condition 9.

"**Senior Transaction**" is as defined in Credit Security Condition 9.

"**Seniority Level**" is as defined in Credit Security Condition 9.

"**Settled Amount**" is as defined in Share Security Condition 4.2(b).

"**Settlement Business Day**" is as defined in Security Condition 5.1.

"**Settlement Currency**" is as defined in Payout Condition 1.5 and Credit Security Condition 9.

"**Settlement Cycle**" is as defined in Index Security Condition 1, in Share Security Condition 1, in ETI Security Condition 1, in Futures Security Condition 1 and in Debt Security Condition 11.

"**Settlement Date**" is as defined in Security Condition 19.

"**Settlement Disruption Event**" is as defined in Security Condition 5.1.

"**Settlement Method**" is as defined in Credit Security Condition 9.

"**Settlement Price**" is as defined in Payout Condition 1.5, Index Security Conditions 1, 8 and 9.1, in Share Security Condition 1, in ETI Security Condition 1, in Debt Security Conditions 1 and 6, in Commodity Security Condition 1, in Inflation Index Security Condition 1, in Fund Security Condition 1, in Futures Security Condition 1 and Currency Security Conditions.

"**Settlement Price Date**" is as defined in Index Security Condition 1, in Share Security Condition 1, Currency Security Condition 1 and in Fund Security Condition 1.

"**Settlement Price Final**" is as defined in Payout Condition 1.4.

"**Settlement Valuation Date**" is as defined in Credit Security Condition 9.

"**SFIA Act**" is as defined in Security Condition 20.

"**Share**" is as defined in Security Condition 15.2(d).

"**Shares**" and "**Share**" is as defined in Share Security Condition 1 and Share Security Condition 4.2(e).

"**Share Company**" is as defined in Share Security Condition 1.

"**Share Correction Period**" is as defined in Share Security Condition 1.

"**Share Event**" is as defined in Share Security Condition 10.

"**Share Securities**" is as defined in Security Condition 2.1.

"**Significant Alteration Event**" is as defined in Security Condition 15.1.

"**Shortfall**" is as defined in the Collateral Security Conditions, Part A, Condition 3.5.

"**Single Reference Entity Credit Security**" is as defined in Credit Security Condition 9.

"**Single Resolution Mechanism Regulation**" is as defined in Security Condition 27.2.

"**Solvency Capital Provisions**" is as defined in Credit Security Condition 9.

"**Sovereign**" is as defined in Credit Security Condition 9.

"**Sovereign No Asset Package Delivery Supplement**" is as defined in Credit Security Condition 9.

"**Sovereign Restructured Deliverable Obligation**" is as defined in Credit Security Condition 9.

"**Sovereign Succession Event**" is as defined in Credit Security Condition 9.

"**Specified Currency**" is as defined in Credit Security Condition 9.

"**Specified Maximum Days of Disruption**" is as defined in Security Condition 1, Index Security Condition 8, ETI Security Condition 1, Commodity Security Condition 1 and Currency Security Condition 1.

"**Specified Number**" is as defined in Credit Security Condition 9.

"**Specified Price**" is as defined in Commodity Security Condition 1.

"**Sprint Factor**" is as defined in Payout Condition 1.4.

"**SPS Date Weighting**" is as defined in Payout Condition 2.12.

"**SPS ER Valuation Date**" is as defined in Payout Condition 2.3(b).

"**SPS ER Valuation Period**" is as defined in Payout Condition 2.3(b).

"**SPS FR Barrier Valuation Date**" is as defined in Payout Condition 2.5(b).

"**SPS FR Barrier Valuation Period**" is as defined in Payout Condition 2.5(b).

"**SPS FR Valuation Date**" is as defined in Payout Condition 2.5(b).

"**SPS FR Valuation Period**" is as defined in Payout Condition 2.5(b).

"**SPS Redemption Valuation Date**" is as defined in Payout Condition 2.12.

"**SPS Redemption Valuation Period**" is as defined in Payout Condition 2.12.

"**SPS Valuation Date**" is as defined in Payout Condition 2.12.

"**SPS Valuation Period**" is as defined in Payout Condition 2.12.

"**SRO List**" is as defined in Credit Security Condition 9.

"**Standard Reference Obligation**" is as defined in Credit Security Condition 9.

"**Standard Specified Currencies**" is as defined in Credit Security Condition 9.

"**Steps Plan**" is as defined in Credit Security Condition 9.

"**Stop-Loss Event**" is as defined in Security Condition 15.1.

"**Strike Date**" is as defined in Security Condition 1, in Index Security Condition 8, in Inflation Index Security Condition 1, in Currency Security Condition 1, and in Fund Security Condition 1.

"**Strike Day**" is as defined in Security Condition 1 and in Currency Security Condition 1.

"**Strike Level**" is as defined in Payout Condition 1.4.

"**Strike Percentage**" is as defined in Payout Condition 2.12.

"**Strike Period**" is as defined in Security Condition 1 and in Currency Security Condition 1.

"**Strike Price**" is as defined in Index Security Condition 8 and in Payout Condition 1.4.

"**Subordinated Obligation**" is as defined in Credit Security Condition 9.

"**Subordination**" is as defined in Credit Security Condition 9.

"**Substitute**" is as defined in Security Condition 13.3.

"**Substitute Asset**" and "**Substitute Assets**" is as defined in Security Condition 5.4.

"**Substitute Guarantee**" is as defined in Security Condition 13.5(b).

"**Substitute Guarantor**" is as defined in Security Condition 13.5.

"**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 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 Condition 1 and Inflation Index Security Condition 2.

"**Substitute Reference Obligation**" is as defined in Credit Security Condition 9.

"**Substitute Reference Obligation Resolution Request Date**" is as defined in Credit Security Condition 9.

"**Substitute Share**" is as defined in Security Condition 15.2(d) and in Share Security Condition 4.2(e).

"**Substitution**" is as defined in ETI Security Condition 6.2(b) and Fund Security Condition 4.2(b).

"**Substitution Conditions**" is as defined in Security Condition 13.2.

"**Substitution Date**" is as defined in Security Condition 15.2(d) in Share Security Condition 4.2, ETI Security Condition 6.2 and Commodity Security Condition 3(b) and in Credit Security Condition 9.

"**Substitution Event**" is as defined in Security Condition 13.1 and Credit Security Condition 9.

"**Substitution Event Date**" is as defined in Credit Security Condition 9.

"**succeed**" is as defined in Credit Security Condition 9.

"**Succession Date**" is as defined in Credit Security Condition 9.

"**Successor**" is as defined in Collateral Security Condition 9.

"**Successor Backstop Date**" is as defined in Credit Security Condition 9.

"**Successor Commodity Index**" is as defined in Commodity Security Condition 4(a).

"**Successor Custom Index**" is as defined in Index Security Condition 6.1.

"**Successor Index**" is as defined in Security Condition 15.2(c) and in Index Security Condition 3.1.

"**Successor Index Sponsor**" is as defined in Commodity Security Condition 4(a) and in Index Security Condition 3.1.

"**Successor Inflation Index**" is as defined in Inflation Index Security Condition 1 and Inflation Index Security Condition 3.

"**Successor Provisions**" is as defined in Credit Security Condition 8(c).

"**Successor Resolution Request Date**" is as defined in Credit Security Condition 9.

"**Surviving Reference Entity**" is as defined in Credit Security Condition 9 and Credit Security Condition 5(c)(ii).

"**Swap Agreement**" is as defined in the Collateral Security Conditions, Part A, Condition 1.

"**Swap Counterparty**" is as defined in the Collateral Security Conditions, Part A, Condition 1.

"**Swap Counterparty Priority of Payments**" is as defined in the Collateral Security Conditions, Part A, Condition 1.

"**Swedish Dematerialised Warrants**" is as defined in Security Condition 19.

"**Swedish Record Date**" is as defined in Security Condition 24.7(a) in the Collateral Security Condition.

"**Swiss Dematerialised Securities**" is as defined in Security Condition 1.

"**Swiss Dematerialised Warrants**" is as defined in Security Condition 19.

"**Swiss Materialised Securities**" is as defined in Security Condition 1.

"**Swiss Materialised Warrants**" is as defined in Security Condition 19.

"**Swiss Securities**" is as defined in Security Condition 1.

"**Swiss Security Agent**" is as defined in Security Condition 1.

"**T**" is as defined in Payout Condition 2.12.

"**TARGET Settlement Day**" is as defined in Credit Security Condition 9.

"**Tax Disruption**" is as defined in Commodity Security Condition 1.

"**Tax Event**" is as defined in ETI Security Condition 4.18 and Fund Security Condition 2.26.

"**Taxes**" is as defined in Security Condition 11.2.

"**Tender Offer**" is as defined in Share Security Condition 4.1, ETI Security Condition 1 and Fund Security Condition 1.

"**Termination**" is as defined in ETI Security Condition 6.2(c) and Fund Security Condition 4.2(c).

"**Termination Amount**" is as defined in ETI Security Condition 1 and Fund Security Condition 1.

"**Termination Date**" is as defined in ETI Security Condition 1 and Fund Security Condition 1.

"**Terms and Conditions**" is as defined in the Terms and Conditions of the Securities, paragraph 1.

"**Total M**" is as defined in Payout Condition 2.12.

"**Trade Date**" is as defined in Security Condition 15.1, in Credit Security Condition 9 and ETI Security Condition 1 and Fund Security Condition 1.

"**Trading Disruption**" is as defined in Index Security Condition 1 and in Share Security Condition 1, ETI Security Condition 1, Commodity Security Condition 1 and Futures Security Condition 1.

"**Transaction Auction Settlement Terms**" is as defined in Credit Security Condition 9.

"**Transaction Type**" is as defined in Credit Security Condition 9.

"**Transfer Certificate**" is as defined in Security Condition 22.

"**Transferable**" is as defined in Credit Security Condition 9.

"**Treaty**" is as defined in Security Condition 17(b).

"**Trigger Percentage**" is as defined in Credit Security Condition 6(b)(iii).

"**U.S. Securities**" is as defined in Security Condition 1.

"**U.S. Warrants**" is as defined in Security Condition 20.

"**Uncertificated Securities Regulations**" is as defined in Security Condition 1.

"**Undeliverable Collateral Assets**" is as defined in the Collateral Security Conditions, Part A, Condition 1.

"**Underlying Finance Instrument**" is as defined in Credit Security Condition 9.

"**Underlying Interest Determination Date**" is as defined in Underlying Interest Rate Security Condition 4.

"**Underlying Interest Rate Security Conditions**" is as defined in Annex 11.

"**Underlying ISDA Rate**" is as defined in Underlying Interest Rate Security Condition 2.

"**Underlying Loan**" is as defined in Credit Security Condition 9.

"**Underlying Obligation**" is as defined in Credit Security Condition 9.

"**Underlying Obligor**" is as defined in Credit Security Condition 9.

"**Underlying Performance<sub>(t)</sub>**" is as defined in Payout Condition 1.5.

"**Underlying Price<sub>(t)</sub>**" is as defined in Payout Condition 1.5.

"**Underlying Price<sub>(t-1)</sub>**" is as defined in Payout Condition 1.5.

"**Underlying Reference**" is as defined in Security Conditions 16.7 and 24.12 and in Payout Conditions 1.4, 2.12 and 3.6.

"**Underlying Reference 1**" is as defined in Payout Condition 3.6.

"**Underlying Reference 2**" is as defined in Payout Condition 3.6.

"**Underlying Reference Closing Price Value**" is as defined in Payout Condition 2.4(c) and Payout Condition 2.6(a).

"**Underlying Reference Closing Price Value<sub>(k,i)</sub>**" is as defined in Payout Condition 2.4(d);

"**Underlying Reference Closing Value**" is as defined in Payout Condition 3.6.

"**Underlying Reference EndDay Closing Price Value**" is as defined in Payout Condition 2.6(b).

"**Underlying Reference FX Hedged Value**" is as defined in Payout Condition 2.6(a).

"**Underlying Reference FX Level**" is as defined in Payout Condition 2.6(a).

"**Underlying Reference FX Strike Level**" is as defined in Payout Condition 2.6(a).

"**Underlying Reference Initial**" is as defined in Payout Condition 1.4.

"**Underlying Reference Intraday Price Value**" is as defined in Payout Condition 2.6(b).

"**Underlying Reference Intraday Value**" is as defined in Payout Condition 2.6(b).

"**Underlying Reference Restrike Value**" is as defined in Payout Condition 2.6(b).

"**Underlying Reference StartDay Closing Price Value**" is as defined in Payout Condition 2.6(b).

"**Underlying Reference Strike Price**" is as defined in Payout Condition 2.6(a).

"**Underlying Reference TOM Restrike Value**" is as defined in Payout Condition 2.6(b).

"**Underlying Reference TOM Value**" is as defined in Payout Condition 2.6(b).

"**Underlying Reference Value**" is as defined in Payout Condition 2.6(b).

"**Underlying Reference Weighting**" is as defined in Payout Condition 2.12.

"**Underlying Share**" is as defined in Security Condition 2.1.

"**Underlying Shares**" is as defined in Share Security Condition 8.

"**Units**" is as defined in Security Condition 21.

"**Unwind Priority of Payments**" is as defined in the Collateral Security Conditions, Part A, Condition 1.

"**Unwinding Time Period**" is as defined in Payout Condition 1.5.

"**Up Call**" is as defined in Payout Condition 2.2(f)(vi).

"**Up Call Spread**" is as defined in Payout Condition 2.2(f)(vi).

"**Up Cap Percentage**" is as defined in Payout Condition 2.12.

"**Up Final Redemption Value**" is as defined in Payout Condition 2.12.

"**Up Floor Percentage**" is as defined in Payout Condition 2.12.

"**Up Forward**" is as defined in Payout Condition 2.2(f)(vi).

"**Up Put**" is as defined in Payout Condition 2.2(f)(vi).

"**Up Put Spread**" is as defined in Payout Condition 2.2(f)(vi).



"**Up Strike Percentage**" is as defined in Payout Condition 2.12.

"**Upper Level**" is as defined in Payout Condition 1.4.

"**Upside Participation Factor**" is as defined in Payout Condition 1.4.

"**UR<sub>(t)</sub>**" is as defined in Payout Condition 1.1(s).

"**UR<sub>(t0)</sub>**" is as defined in Payout Condition 1.1(s).

"**UR<sub>(ti-1)</sub>**" is as defined in Payout Condition 1.1(s).

"**U.S. Government Securities Business Day**" is as defined in Security Condition 1.

"**U.S. person**" is as defined in Security Condition 2.1.

"**Valid Date**" is as defined in Security Condition 19, in Index Security Condition 8 and in Currency Security Condition 1.

"**Valuation Date**" is as defined in Payout Condition 1.1(gg), in Index Security Condition 8, in Inflation Index Security Condition 1, in Currency Security Condition 1, in Funds Security Condition 1, Security Condition 19 and in Credit Security Condition 9.

"**Valuation Obligation**" is as defined in Credit Security Condition 9.

"**Valuation Obligations Portfolio**" is as defined in Credit Security Condition 9.

"**Valuation Time**" is as defined in Security Condition 19, in Index Security Condition 8, in Currency Security Condition 1, in ETI Security Condition 1 and in Credit Security Condition 9.

"**Value Business Day**" is as defined in ETI Security Condition 1.

"**Value per ETI Interest**" is as defined in ETI Security Condition 1.

"**Value per ETI Interest Trading Price Barrier**" is as defined in ETI Security Condition 1.

"**Value per ETI Interest Trading Price Differential**" is as defined in ETI Security Condition 1.

"**Value per ETI Interest Trigger Event**" is as defined in ETI Security Condition 1.

"**Value Trigger Percentage**" is as defined in ETI Security Condition 1.

"**Value Trigger Period**" is as defined in ETI Security Condition 1.

"**Vanilla Debt Securities**" is as defined in the Annex to the Additional Terms and Conditions for Secured Securities, Condition 3(i).

"**Voting Shares**" is as defined in Credit Security Condition 9.

"**VP Denmark**" is as defined in Security Condition 1.

"**VP Denmark Register**" is as defined in Security Condition 1.

"**VP Denmark System**" is as defined in Security Condition 1.

"**W**" is as defined in Payout Condition 3.6.

**"Waived Set-Off Rights"** is as defined in Security Condition 3.

**"Warrant Exercise Fee"** is as defined in Payout Condition 1.6.

**"Warrant@Work Exercise Price"** is as defined in Payout Condition 1.6.

**"Warrants"** is as defined in the Terms and Conditions of the Securities, paragraph 3.

**"Weighted Average Basket Value"** is as defined in Payout Condition 2.10(b).

**"Weighted Average Best Value"** is as defined in Payout Condition 2.10(b).

**"Weighted Average Final Price"** is as defined in Credit Security Condition 9.

**"Weighted Average Quotation"** is as defined in Credit Security Condition 9.

**"Weighted Average Rainbow Value"** is as defined in Payout Condition 2.10(b).

**"Weighted Average Underlying Reference Value"** is as defined in Payout Condition 2.10(a).

**"Weighted Average Worst Value"** is as defined in Payout Condition 2.10(b).

**"Worst Greatest Value"** is as defined in Payout Condition 2.7(b).

**"Worst Intraday Value"** is as defined in Payout Condition 2.6(c).

**"Worst Performing Underlying Reference Closing Price Value<sub>(i)</sub>"** is as defined in Payout Condition 2.4(a).

**"Worst Value"** is as defined in Payout Condition 2.6(c).

**"Zero Coupon Bond Collateral"** is as defined in the Annex to the Additional Terms and Conditions for Secured Securities, Condition 3(h).

### **USE OF PROCEEDS**

The net proceeds from each issue of Securities by BNPP B.V. or BNPP will become part of the general funds of BNPP B.V. or BNPP, as the case may be. Such proceeds may be used to maintain positions in options or futures contracts or other hedging instruments.

## DESCRIPTION OF BNPP INDICES

The Index Methodology governing each Index shall be available on <https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf> as soon as such Index is the Underlying Reference in respect of a product which is under the scope of the Prospectus Directive. The CInergy Code is specified as set out in the tables below.

**In any case and for all the indices the following part shall be included:**

The objective of each Index comprised in a Family Index is to provide synthetic exposure to the performance as the case may be appropriate of a notional basket of Equity, Fund Shares, FX, Bond Rate, Money Market Rate, Index, Custom Index, Commodity, ETI or other Index component types (the "**Index Components Types**") in accordance with the objective of the Index comprised in the category of indices as described below.

The following indices shall be Excess Return ("**ER**"), Total Return ("**TR**"), Price Return ("**PR**"), Adjusted Return ("**AR**") or Cash Less ("**CL**") (each a "**Cash Kind**"). As a consequence, if the Index is an "Excess Return" index, the level of the index will reflect the performance of the strategy of the index above an applicable money market rate. If the Index is a "Total Return" index, the level of the index will reflect a value assuming reinvestment of all or a part of dividends and distributions (as the case may be declared or paid by underlying index components). If the Index is a "Price Return" index, the level of the index will reflect a value assuming no reinvestment of dividends or distributions (declared/paid by underlying index components). If the Index is an "Adjusted Return" Index, the level of the Index will reflect a value assuming reinvestment of all or a part of dividends and distributions (as the case may be, declared or paid) by underlying index components and the deduction of an applicable adjustment factor. At last, if the Index is a "Cashless" index as it is constituted of components that require little or no cash to hedge in order to obtain the economic exposure and risk required by the index strategy, the level of the index will not take into account money market interest that would be ordinarily be payable when hedging the performance of an index which would require a cash investment equal to the value of the Index.

If any Index component (the "**Index Component**") of an Index ceases to exist or is, or would be, subject to an adjustment pursuant to the provisions of the Index rules in respect of that Index Component, the Index Calculation Agent may acting in good faith and in a commercially reasonable manner (a) effect no change to the Index, (b) adjust the Index as it deems appropriate including, but not limited to, replacing such Index Component with a replacement Index Component or the Index Calculation Agent and the Index Sponsor may continue to calculate and publish (as applicable) the Index without such Index Component or any replacement therefore, subject to the BNP Paribas Index proprietary methodology (the "**Index Methodology**"), or (c) terminate the Index. The aim of the Index Calculation Agent when making any such operational adjustments is to ensure that, so far as possible, the basic principles and economic effect of the Index are maintained.

Following the Index Start Date, the Index Calculation Agent shall review the composition of the Index and the Index weightings of the Index Components within the Index on an ongoing basis and in accordance with the Index Methodology comprised into the Index rules (the "**Rules**") governing the Index.

1. **GURU Indices**
2. **Thematic Mutual Fund Indices**
3. **Thematic Equity Indices**
4. **Fixed Exposure Indices**
5. **Risk Control Indices**

6. **Millenium Indices**
7. **Platinum Indices**
8. **Harbour Indices**
9. **Flexinvest Indices**
10. **Volatility Indices**
11. **Buy Write Indices**
12. **Alternative Strategy Indices**
13. **Liberty Indices**
14. **Alternative Synthetic Tracker Indices**
15. **Daily Weekly Indices**
16. **Commodity Indices**
1. **GURU Indices**

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide a positive exposure (" <b>Long</b> ") or positive and negative exposure (" <b>Long /Short</b> ") to the performance of a notional basket of "Equity" Index Components, that track the price movements of shares of companies selected through a BNP Paribas proprietary methodology
2	Description of the process of selecting components weighting factors	Components are selected following a process based on different potential indicators such as profitability of the business model, perspectives, valuation, price based.
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Monthly
7	Type of index	All Indices listed in the table below are part of the GURU Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Long or Long /Short	Cash Kind	Universe	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Calculation Agent	Cinergy Code
BNP Paribas GURU Europe	EUR	Long	TR	Europe	70%	100%	32%	BNPGELT R	Solactive	GELMTR

Index Name	Currency	Long or Long /Short	Cash Kind	Universe	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Calculation Agent	Cinergy Code
Long TR EUR										
BNP Paribas GURU Europe Long ER 10 EUR	EUR	Long	ER	Europe	0%	150%	10%	BNPGEL10	Solactive	GEL10MAER
BNP Paribas GURU Europe Long ER 15 EUR	EUR	Long	ER	Europe	0%	150%	15%	BNPGEL15	Solactive	GEL15MAER
BNP Paribas GURU Europe Long/Short TR EUR	EUR	Long/Short	TR	Europe	0%	100%	10%	BNPGELST	Solactive	GELSTMATR
BNP Paribas GURU Europe Long/Short ER EUR	EUR	Long/Short	ER	Europe	0%	100%	10%	BNPGELSE	Solactive	GELSEM AER
BNP Paribas GURU US Long TR USD	USD	Long	TR	US	70%	100%	32%	BNPGULTR	Solactive	GULTMT R
BNP Paribas GURU US Long ER 10 USD	USD	Long	ER	US	0%	150%	10%	BNPGUL10	Solactive	GUL10MAER
BNP Paribas GURU US Long ER 15 USD	USD	Long	ER	US	0%	150%	15%	BNPGUL15	Solactive	GUL15MAER
BNP Paribas GURU US Long/Short TR USD	USD	Long/Short	TR	US	0%	100%	10%	BNPGULST	Solactive	GULSTMATR
BNP Paribas GURU US Long/Short ER USD	USD	Long/Short	ER	US	0%	100%	10%	BNPGULSE	Solactive	GULSEM AER
BNP Paribas GURU Asia ex Jp Long TR USD	USD	Long	TR	Asia	70%	100%	32%	BNPGALTR	Solactive	GAL2TR
BNP Paribas GURU Asia ex Jp ex India Long ER 15 USD	USD	Long	ER	Asia	0%	100%	15%	BNPIGA15	BNP Paribas	GAXI15ER
BNP Paribas GURU Asia ex Jp ex India Long ER 20 USD	USD	Long	ER	Asia	0%	100%	20%	BNPIGA20	BNP Paribas	GAXI20ER
BNP Paribas GURU Global Emerging Long TR USD	USD	Long	TR	Emerging Markets	70%	100%	32%	BNPIGEMT	Solactive	GEMTTR
BNP Paribas GURU Global Emerging Long ER 18 USD	USD	Long	ER	Emerging Markets	0%	100%	18%	BNPIGE18	BNP Paribas	GE18ER
BNP Paribas GURU World Developed Long TR USD	USD	Long	TR	World Developed	70%	100%	32%	BNPIGWDT	Solactive	GWDTTR
BNP Paribas GURU World Developed Long ER 10 USD	USD	Long	ER	World Developed	0%	100%	10%	BNPIGD10	BNP Paribas	GWD10ER
BNP Paribas GURU World Developed Long ER 15 USD	USD	Long	ER	World Developed	0%	100%	15%	BNPIGD15	BNP Paribas	GWD15ER
BNP Paribas GURU All Country Long TR USD	USD	Long	TR	Worldwide	70%	100%	32%	BNPIGWA T	Solactive	GWATTR
BNP Paribas GURU All Country Long ER 10 USD	USD	Long	ER	Worldwide	0%	100%	10%	BNPIGW10	BNP Paribas	GWA10ER
BNP Paribas	USD	Long	ER	Worldwide	0%	100%	15%	BNPIGW1	BNP Paribas	GWA15E

Index Name	Currency	Long or Long /Short	Cash Kind	Universe	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Calculation Agent	Cinergy Code
GURU All Country Long ER 15 USD								5		R
BNP Paribas Conviction Action Monde ER	EUR	Long	ER	Worldwide	0%	100%	10%	BNPICAWD	BNP Paribas	CAWDER
BNP Paribas Conviction Action Europe ER	EUR	Long	ER	Europe	0%	100%	10%	BNPICAEU	BNP Paribas	CAEUER
BNP Paribas GURU All Country volcap 10 ER EUR ER	EUR	Long	ER	Worldwide	0%	100%	10%	BNPIGWEE	BNP Paribas	GWEEER
GURU L/S volcap 7 TR EUR	EUR	Long/Short	TR	Europe+US	0%	100%	7%	BNPILSTR	Solactive	GLSTMATR
GURU L/S volcap 7 ER EUR	EUR	Long/short	ER	Europe+US	0%	100%	7%	BNPILSER	Solactive	GLSEMAER
GURU L/S volcap7 ER USD	USD	Long/short	ER	Europe+US	0%	100%	7%	BNPI50EU	BNP Paribas	GLSEUM AER
GURU L/S volcap7 TR USD	USD	Long/Short	TR	Europe+US	0%	100%	7%	BNPI50TU	BNP Paribas	GUGLSTTR
GURU L/S volcap 7 ER HUF ER	HUF	Long/Short	ER	Europe+US	0%	100%	7%	BNPILSEH	BNP Paribas	GULSEHER
BNPP GURU Europe isovol 15 ER Net	EUR	Long	ER	Europe	0%	150%	15%	BNPIGE15	BNP Paribas	GE15MARKITER
BNPP GURU Europe isovol 10 ER Net	EUR	Long	ER	Europe	0%	150%	10%	BNPIGE10	BNP Paribas	GE10MARKITER
BNPP GURU US isovol 15 ER Net	EUR	Long	ER	US	0%	150%	15%	BNPIGU15	BNP Paribas	GU15ER
BNPP GURU US isovol 15 ER Net (RUB)	RUB	Long	ER	US	0%	150%	15%	BNPIGR15	BNP Paribas	GR15ER
Guru Asia x Japan x India Naked Net USD TR	USD	Long	TR	Asia	0%	100%	15%	BNPIGAXI	Solactive	GAXITR
GURU Global Emerging 6% Volatility target	USD	Long	ER	Emerging Markets	0%	100%	6%	BNPIGEM6	Solactive	GEM6IER
Guru All Country Total Return USD Net TR	USD	Long	TR	Worldwide	0%	100%	10%	BNPIGWAN	Solactive	GWANTR
Guru World Developed Naked Net TR	USD	Long	TR	World Developed	0%	100%	10%	BNPIGWDN	Solactive	GWDNTR
Guru Asia x Japan Naked Gross TR Index	USD	Long	TR	Asia	0%	100%	32%	BNPGALGT	Solactive	GALGTR
Guru Asia x Japan x India Naked Gross TR Index	USD	Long	TR	Asia	0%	100%	NA	BNPIGAXG	Solactive	GAXGTR
Guru Global Emerging Gross TR Index	USD	Long	TR	Emerging Markets	0%	100%	NA	BNPIGEMG	Solactive	GEMGTR
Guru Europe short naked TR Index	EUR	Long	TR	Europe	0%	100%	NA	BNPGESTR	Solactive	GESTR
Guru US long naked TR Index	USD	Long	TR	US	0%	100%	NA	BNPGULNT	Solactive	GULNTTR
Guru US short naked TR Index	USD	Long	TR	US	0%	100%	NA	BNPGUSTR	Solactive	GUSTR
Guru All Country Total Return USD Gross TR	USD	Long	TR	Worldwide	0%	100%	32%	BNPIGWAG	Solactive	GWAGTR
Guru Global Developed Naked Gross TR	USD	Long	TR	World Developed	0%	100%	NA	BNPIGWDG	Solactive	GWDGTR
BNP Paribas High Dividend Yield Europe TR EUR index	EUR	Long	TR	Europe	0%	100%	NA	BNPIHDE N	Solactive	HDENTR

Index Name	Currency	Long or Long /Short	Cash Kind	Universe	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Calculation Agent	Cinergy Code
Guru All Country Islamic Vol Cap 10 USD ER	USD	Long	ER	Worldwide	0%	100%	10%	BNPIGI10	BNP Paribas	GI10ER
Guru All Country Islamic Total Return USD Gross	USD	Long	TR	Worldwide	100%	100%	NA	BNPIGW1G	Solactive	GWIGTR
BNP Paribas Low Volatility Risk Premium Long Factor Europe TR Index	EUR	Long	TR	Europe	100%	100%	NA	BNPILVLF	BNP Paribas	LVLFRTR
BNP Paribas Low Volatility Risk Premium Europe ER Index	EUR	Long	ER	Europe	100%	100%	NA	BNPILVRP	BNP Paribas	LVRPER
Markit Guru Long Europe Naked TR	EUR	Long	TR	Europe	100%	100%	NA	BNPGELNT	Solactive	GELNMT R
BNP Paribas Guru Global Emerging Net Index	USD	Long	TR	Emerging Markets	100%	100%	NA	BNPIGEM N	Solactive	GEMN
BNP Paribas High Dividend Yield US TR USD index	USD	Long	TR	US	100%	100%	NA	BNPIHDU N	Solactive	HDUNTR
BNP Paribas GURU L/S Market Neutral volcap 7 ER Index	EUR	Long/Short	ER	Europe + US	0%	100%	7%	BNPILSNE	BNP Paribas	LSNEER

## 2. Thematic Mutual Fund Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide a long only exposure to the performance of a portfolio of "Fund Shares" Index Component Types that are exposed to a given investment strategy (" <b>Thematic</b> ").
2	Description of the process of selecting components weighting factors	Indices are generally equally weighted with components respecting performance and AUM constraints
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Fixed basket
7	Type of index	All Indices listed in the table below are part of the Thematic Mutual Fund Indices family of BNP Paribas indices
8	Index Currency	As described in the table below



Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
BNP Paribas Starfonds EUR ER Index ER	EUR	ER	Star managers	0%	150%	5.00%	BNPISFEU	SFEUER
BNP Paribas Income Star Fund Index EUR ER	EUR	ER	Star managers	0%	150%	4.50%	BNPIICST	ICSTER
BNP Paribas Russia Funds Index USD ER	USD	ER	Russia	0%	150%	18.00%	BNPIRUUE	RUUEER
BNP Paribas Fond Europe ER	EUR	ER	International Stocks	0%	150%	15.00%	BNPIFEEE	FEEER
BNP Paribas Flexible Fund Stars ER	EUR	ER	Flexible Star Managers	0%	150%	5.00%	BNPIFLST	FLSTER
BNP Paribas Star Absolute Return Funds CNSL Index ER	EUR	ER	Absolute Return	0%	150%	6.00%	BNPICNSL	CNSLER
BNP Paribas LATAM Equity Funds ER USD Index ER	USD	ER	LATAM	0%	150%	18.00%	BNPILAUE	LAUER
BNP Paribas EM Square Index ER	EUR	ER	Emerging Markets	0%	150%	10.00%	BNPIEME2	EME2ER
BNP Paribas Flexible Star Managers (PLN Hedged) Index ER	PLN	ER	Flexible Star Managers	0%	150%	15.00%	BNPIFLSM	FLSMER
BNP Paribas Flexible Fund Stars Index (GBP) ER	GBP	ER	Flexible Star Managers	0%	150%	15.00%	BNPIFLSG	FLSGER
BNP Paribas SLI Enhanced Absolute Return Index EUR TR	EUR	TR	Absolute Return	0%	150%	15.00%	BNPIGARE	GARPR
BNP Paribas Emerging Markets Debt & Equity Funds Index USD ER	USD	ER	Emerging Markets	0%	150%	10.00%	BNPIEMUE	EMUEER
BNP Paribas Emerging Markets Debt & Equity Funds EUR Hedged ER	EUR	ER	Emerging Markets	0%	150%	10.00%	BNPIEMEE	EMEEER
BNP Paribas Russia Funds Index EUR Hedged ER	EUR	ER	Russia	0%	150%	18.00%	BNPIRUEE	RUEEER
BNP Paribas Africa Funds Index EUR ER	EUR	ER	Africa	0%	150%	15.00%	BNPIAFEE	AFEEER
BNP Paribas Africa Funds Square Index ER	EUR	ER	Africa	0%	150%	15.00%	BNPIAFE2	AFE2ER
BNP Paribas High Yielding Bond Fund EUR ER Index ER	EUR	ER	High Yield	0%	150%	5.00%	BNPIHYBF	HYBFER
BNP Paribas High Yield and Emerging Bond Funds TR	EUR	TR	High Yield	0%	150%	3.00%	BNPIHYET	HYETR
BNP Paribas High Yield and Emerging Bond Funds ER	EUR	ER	High Yield	0%	150%	3.00%	BNPIHYEE	HYEER
BNP Paribas Global High Yield and Investment Grade Bond Funds USD Index ER	USD	ER	High Yield	0%	150%	3.00%	BNPIHIUE	HIUEER
BNP Paribas Global High Yield and Investment Grade Bond Funds EUR Index ER	EUR	ER	High Yield	0%	150%	3.00%	BNPIHIEE	HIEEER
BNP Paribas CHINDIA Equity Funds EUR ER Index ER	EUR	ER	CHINDIA	0%	150%	18.00%	BNPICIEE	CIEER
BNP Paribas LATAM Equity Funds ER EUR Hedged Index ER	EUR	ER	LATAM	0%	150%	5.00%	BNPILAE	LAEER
BNP Paribas CHINDIA Equity Funds USD Hedged ER Index ER	USD	ER	CHINDIA	0%	150%	18.00%	BNPICIEU	CIUER
BNP Paribas Real Estate Funds USD Hedged Index ER	USD	ER	Real Estate	0%	150%	5.00%	BNPIREUE	REUEER
BNP Paribas Real Estate Funds (HUF Hedged) Excess Return Index ER	HUF	ER	Real Estate	0%	150%	10.00%	BNPIREHE	REHER
BNP Paribas Gold & Precious Metals Funds EUR ER Index ER	EUR	ER	Commodities	0%	150%	15.00%	BNPIGPEE	GPEER
BNP Paribas Africa Funds	USD	ER	Africa	0%	150%	15.00%	BNPIAFUE	AFUEER

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
Index USD ER								
Emergents & Investissement Index ER	EUR	ER	Emerging Markets	0%	150%	15.00%	BNPIEMIN	EMINER
BNP Paribas Europe America and Emergent ER	EUR	ER	Europe+US+ Emerging Markets	0%	150%	15.00%	BNPIEAEM	EAEMER
BNP Paribas Strategic Convictions Index ER	EUR	ER	Convictions	0%	150%	10.00%	BNPISCEE	SCEER
DobrynianNikitich Mutual Fund Isovol ER	RUB	ER	Mutual Fund	0%	NA	25.00%	BNPIDNRE	DNRRER
BNP Paribas Gold & Precious Metals Funds USD Hedged ER Index ER	USD	ER	Commodity	0%	150%	15.00%	BNPIGPUE	GPUER
Dobrynian Index USD ER	USD	ER	Dobrynian funds	0%	NA	25.00%	BNPIDNUR	DNUER
GOVERNMENT BOND FUND INDEX ER	EUR	ER	Government Bond	100%	100%	NA	BNPIGBTE	GBER
BNP Paribas Emerging Market Corporates Debt EUR ER Index ER	EUR	ER	Emerging Markets	0%	150%	4.00%	BNPIECEER	ECEER
Indeks Funduszy Rynkow Wschodzacych ER	PLN	ER	Rynkow Wschodzacyc funds	0%	150%	8.00%	ENHAEMPL	ENHAEMPL9ER
Cadiz SA tracker Risk Controlled 15% Index ER	ZAR	ER	South Africa	0%	100%	15.00%	BNPICSAR	CSAER
Flexible Fund Stars Index (SEK)	SEK	ER	Flexible Star Managers	0%	150%	5.00%	ENHAFLST	ENHAFLSTER
KRW FX-Hedge on BNPIAFE2	KRW	ER	Africa	0%	150%	15.00%	ENHASHAF	ENHASHAFER
ABN AMRO Top Fixed Income Funds EUR Index	EUR	ER	Global Bonds	0%	150%	4.00%	ENHAATFE	ENHAATFER
ABN AMRO Top Fixed Income Funds USD Index	USD	ER	Global Bonds	0%	150%	4.00%	ENHAATFU	ENHAATFUER
ABN AMRO Top Fixed Income Funds AED Index	AED	ER	Global Bonds	0%	150%	4.00%	ENHAATFA	ENHAATFAER
BNP Paribas Emerging Markets Local Debt Funds USD Index	USD	ER	Emerging Markets	0%	150%	5.50%	BNPIEMLU	EMLUER
FWR Emerging markets growth opportunities	EUR	TR	Emerging Markets	0%	150%	10.00%	BNPIEMGO	EMGOTR
BNP Paribas Income Fund Stars Index (RUB)	RUB	ER	Star managers	0%	150%	4.50%	BNPIICSR	ICSRER
BNP Paribas Flexible Fund Stars Index (USD)	USD	ER	Flexible Star Managers	0%	150%	5.00%	BNPIFLSU	FLSUER
Flexible Fund Stars Index (GBP)	GBP	ER	Mutual Fund	0%	150%	5.00%	ENHASTAR	ENHASTAR3ER
African Exposure Fund Index	SEK	ER	Africa	0%	150%	15.00%	ENHAAFSE	ENHAAFSEER
BNP Paribas Newcits Fund Stars Index	EUR	ER	Mutual Fund	0%	150%	3.00%	BNPINUST	NUSTIER
Open High Yield	EUR	ER	Mutual Fund	0%	150%	4.50%	ENHAOHY	ENHAOHY1ER
Global Diversified Funds Index	PLN	ER	Mutual Fund	0%	100%	10.00%	ENHAGDFI	GDFIER
Diversified Selected Funds ER Index	HUF	ER	Mutual Fund	0%	100%	10.00%	ENHADSFE	DSFEER
Alfa Capital Balanced Funds VC Strategy	EUR	TR	Mutual Fund	0%	150%	7.00%	ENHAACBF	ENHAACBFTR
Globalny Portfel Modelowy ER	PLN	ER	Mutual Fund	0%	150%	6.00%	ENHAPORT	ENHAPORTER
Hungarian Selected Funds ER Index	HUF	ER	Mutual Fund	0%	100%	10.00%	ENHASUQU	ENHASUQU2ER
Wealth Options BNPP Global Star Performers Index	EUR	TR	Mutual Fund	0%	100%	NA	BNPIGSPi	IGSPITR
Stabilna Strategia	PLN	TR	Mutual Fund	0%	100%	8.00%	BNPIPZUF	PZUFER
Alternative Funds Index (SEK)	SEK	ER	Mutual Fund	0%	150%	4.00%	ENHAALFI	ALFIER
BNP Paribas Real Estate (EUR) ER Index	EUR	ER	Real Estate	0%	150%	10.00%	BNPIREER	REERER
BNP Paribas Real Estate Funds RUB Index	RUB	ER	Real Estate	0%	150%	10.00%	BNPIRERE	RERER
BNP Paribas Newcits Fund	EUR	ER	Mutual Fund	0%	150%	4.00%	BNPIN2ST	N2STER

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
Stars Series 2 Index								
BNP Paribas Income Fund Stars Index (USD)	USD	ER	Star managers	0%	150%	4.50%	BNPIICSU	ICSUER
Bond Funds Target Vol Index	RUB	ER	Bond Mutual Funds	0%	150%	4.50%	ENHAPFTV	ENHAPFTVER
BNP Paribas Fd - Income Fund Stars Index (EUR)	EUR	ER	Star managers	0%	150%	4.50%	BNPIICFT	ICFTER
BNP Paribas Fd – Income Fund Stars Index (RUB)	RUB	ER	Star managers	0%	150%	4.50%	BNPIICFR	ICFR
BNP Paribas Fd - Income Fund Stars Index (USD)	USD	ER	Star managers	0%	150%	450.00%	BNPIICFU	ICFUER
BNP Paribas Fd - Flexible Fund Stars Index (EUR)	EUR	ER	Star managers	0%	150%	5.00%	BNPIFLFT	FLFTER
BNP Paribas Fd - Flexible Fund Stars Index (USD)	USD	ER	Star managers	0%	150%	5.00%	BNPIFLFU	FLFUER
BNP Paribas Fd - Newcits-Fund Stars Series 2 Index (EUR)	EUR	ER	Star managers	0%	150%	4.00%	BNPIN2FT	N2FTER
BNP Paribas Fd - Newcits Fund Stars Series 2 Index (USD)	USD	ER	Star managers	0%	150%	4.00%	BNPIN2FU	N2FUER
BNP Paribas Fd - Emerging Market Debt & Equity Funds Index (RUB)	RUB	ER	Emerging Markets Corporate Debt	0%	150%	10.00%	BNPIEMFR	EMFRER
BNP Paribas Fd - Flexible Fund Stars Index (GBP)	GBP	ER	Mutual Fund	0%	150%	5.00%	BNPIFLFG	FLFGER
Global Fixed Income Funds Index	USD	ER	Fixed Income	0%	150%	3.50%	ENHAGFIF	GFIFER
BNPP Global Dividend Funds Index	EUR	ER	Dividends	0%	150%	4.00%	BNPIGDFI	BNPIGDFIER
BNP Paribas Newcits Fund Stars Series 2 Index (USD)	USD	ER	Flexible Star Managers	0%	150%	4.00%	BNPIN2SU	N2SUER
BNP New Technology USD ER Index	USD	ER	New Technology	0%	150%	10.00%	BNPINTER	BNPINTER
BNP PBS Multi Asset	EUR	ER	Multi ASSET	0%	150%	9.00%	BNPIPBSM	BNPIPBSMER
Stabilna Strategia Plus	PLN	ER	Strategy	0%	100%	9.00%	BNPIPZU2	PZU2ER
Alternative Star Funds Index	PLN	ER	Flexible Star Managers	0%	150%	4.00%	ENHAASF1	ASFIER
Diversified Selected Funds II ER	HUF	ER	Diiversified	0%	100%	10.00%	ENHADSf2	DSF2ER
Globalna Strategia	PLN	ER	Strategy	0%	100%	9.00%	ENHAGLST	ENHAGLSTER
Advanced Fund Index	EUR	ER	Advanced	0%	100%	NA	ENHAMANF	ENHAMANFER
Newcits Selection Index	EUR	ER	Flexible Star Managers	0%	150%	3.00%	ENHANEWC	ENHANEWCE
BNP Paribas Fd - Emerging Markets Debt & Equity Funds Index (EUR)	EUR	ER	Emerging Market	0%	150%	10.00%	BNPIEMFT	EMFTER
BNP Paribas Fd - Global High Yield and Investment Grade Bond Funds Index (EUR)	EUR	ER	High Yield	0%	150%	3.00%	BNPIHIFT	HIFTER
BNP Paribas Fd – Strategic Bond Fund Stars Index (EUR)	EUR	ER	High Yield	0%	150%	2.50%	BNPISBFT	SBFTER
BNP Paribas Fd – Emerging Markets Corporate Debt Funds Index (EUR)	EUR	ER	Emerging Market	0%	150%	4.00%	BNPIECFT	ECFTER
Alternative Funds Index (EUR)	EUR	ER	Mutual Fund	0%	150%	4.00%	ENHAALFE	ALFEER
BNP Paribas Fd –Africa Equities Funds Index (EUR)	EUR	ER	Africa	0%	150%	15.00%	BNPIAEFT	AEFT
BNP Paribas Fd –Africa Equities Funds Index (SEK)	SEK	ER	Africa	0%	150%	15.00%	BNPIAEFS	AEFS
BNP Paribas Fd - Real Estate Funds Index (EUR)	EUR	ER	Real Estate	0%	150%	10.00%	BNPIREFT	BNPIREFT
BNP Paribas Fd - Real Estate Funds Index (USD)	USD	ER	Real Estate	0%	150%	10.00%	BNPIREFU	BNPIREFU

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
Newcits II Fund Index (SEK)	SEK	ER	Mutual Fund	0%	150%	4.00%	ENHAALF2	ALF2ER
BNP Paribas MS - Income Fund Stars Series 2 Index (EUR)	EUR	ER	Income Funds	0%	150%	5.00%	BNPI2CMT	2CMTER
BNP Paribas MS- Income Fund Star Series 2 Index (USD)	USD	ER	Income Funds	0%	150%	5.00%	BNPI2CMU	2CMUER
BNP Paribas Ms – MultiStrat Fund Stars Index (EUR)	EUR	ER	Mutual Fund	0%	150%	4.00%	BNPIMSFT	MSFT
Newcits Absolute Return Fund Index	SEK	ER	Mutual Funds	0%	150%	4.00%	ENHAALFAR	ALFARER
BNP Paribas MS – Newcits Fund Stars 3 Index (EUR)	EUR	ER	Newcits Funds	0%	150%	3.50%	BNPIN3FT	N3FTER
BNP Paribas MS – Newcits Fund Stars 3 Index (USD)	USD	ER	Newcits Funds	0%	150%	3.50%	BNPIN3FU	N3FUER
Stars Select Fund Index (EUR)	EUR	ER	Newcits Funds	0%	150%	3.50%	ENHA2SFE	ENHA2SFE
Stars Select Fund Index (SEK)	SEK	ER	Newcits Funds	0%	150%	3.50%	ENHA2SFS	ENHA2SFS
ISCS Top Stocks Fund – Risk Controlled Index	CZK	TR	Mutual Fund	0%	125%	15.00%	BNPISCST	SCST
BNP Paribas Ms – MultiStrat Fund Stars Index (USD)	USD	ER	Mutual Fund	0%	150%	4.00%	BNPIMSFU	MSFU
Income Fund Champions Index	EUR	ER	Income	0%	150%	5.00%	ENHAINCH	INCHER
BNP Paribas MS - Newcits Fund Stars 3 Index (DKK)	DKK	ER	Absolute return	0%	150%	3.50%	BNPIN3FD	N3FD
BNP Paribas MS - Newcits Fund Stars 3 Index (SEK)	SEK	ER	Absolute return	0%	150%	3.50%	BNPIN3FS	N3FS
Fund Volatility Target Strategy KRW Index	KRW	ER	Fixed Income	0%	100%	4.00%	ENHAFVTK	ENHAFVK
BNP Paribas WM ELITE 1 USD	USD	ER	Mixed	0%	150%	3.50%	BNPWMEL1	WMEL1
BNP Paribas MS - Allocation Fund Stars Index (USD)	USD	ER	Star managers	0%	150%	5.00%	BNPIAFSU	AFSU
BNP Paribas MS - Allocation Fund Stars Index (EUR)	EUR	ER	Star managers	0%	150%	5.00%	BNPIAFST	AFST
BNP Paribas MS - Allocation Fund Stars Index (DKK)	DKK	ER	Star managers	0%	150%	5.00%	BNPIAFSD	AFSD
BNP Paribas MS - Allocation Fund Stars Index (SEK)	SEK	ER	Star managers	0%	150%	5.00%	BNPIAFSE	AFSE
BNP Paribas Fd - High yield and emerging bond funds Index (EUR)	EUR	ER	Mutual Fund	0%	150%	3.00%	BNPIHEFT	HEFTER
BNP Paribas Fd - High yield and emerging bond funds Index (USD)	USD	ER	Mutual Fund	0%	150%	3.00%	BNPIHEFU	HEFU
BNP Paribas Fd – Emerging Markets Corporate Debt Funds Index (USD)	USD	ER	Emerging Market	0%	150%	4.00%	BNPIECFU	ECFU
BNP Paribas Fd - Global High Yield and Investment Grade Bond Funds Index (USD)	USD	ER	High Yield	0%	150%	3.00%	BNPIHIFU	HIFU
BNP Paribas MS – Diversified Fund Star Index (EUR)	EUR	ER	Mutual Fund	0%	150%	4.50%	BNPIDFST	DFST
BNP Paribas MS – Diversified Fund Star Index (USD)	USD	ER	Mutual Fund	0%	150%	4.50%	BNPIDFSU	DFSU
BNP Paribas Fd - Real Estate Europe Funds Index (EUR)	EUR	ER	Real Estate	0%	150%	10.00%	BNPIRE2E	RE2E
BNP Paribas Fd - Real	USD	ER	Real Estate	0%	150%	10.00%	BNPIRE2U	RE2U

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
Estate Europe Funds Index (USD)								
BNP Paribas Ms – Sustainable Fund Stars Index (EUR)	EUR	ER	Mutual Fund	0%	150%	7.00%	BNPISFFT	SFFT
BNP Paribas Ms – Sustainable Fund Stars Index (USD-Hedged version)	USD	ER	Mutual Fund	0%	150%	7.00%	BNPISFFU	SFFU
BNP Paribas Ms – Equity L/S Fund Stars Index (EUR)	EUR	ER	Mutual Fund	0%	150%	7.00%	BNPIELFT	ELFT
BNP Paribas Ms – Equity L/S Fund Stars Index (USD-Hedged version)	USD	ER	Mutual Fund	0%	150%	7.00%	BNPIELFU	ELFU
BNP Paribas MSB - Income Fund Stars Series 2 Index (EUR)	EUR	TR	Income Funds	0%	100%	5.00%	BNPI2CMB	2CMB
BNP Paribas MSB – MultiStrat Fund Stars Index (EUR)	EUR	TR	Mutual Fund	0%	100%	4.00%	BNPIMSFB	MSFB
BNP Paribas MSB - Allocation Fund Stars Index (EUR)	EUR	TR	Star managers	0%	100%	5.00%	BNPIAFSB	AFSB
BNP Paribas MSB – Newcits Fund Stars 3 Index (EUR)	EUR	TR	Newcits Funds	0%	100%	3.50%	BNPIN3FB	N3FB
Swedish Mixed Allocation Funds Index (SEK)	SEK	ER	Mutual Fund	0%	150%	12.00%	BNPIASWE	ASWE
BNP Paribas MS - Income Fund Star Series 3 Index (EUR)	EUR	ER	Income Funds	0%	150%	4.00%	BNPII3MT	I3MT
BNP Paribas MS - Income Fund Star Series 4 Index (EUR)	EUR	ER	Income Funds	0%	150%	4.00%	BNPII4MT	I4MT
BNP Paribas MS - Income Fund Star Series 3 Index (USD-Hedged)	USD	ER	Income Funds	0%	150%	4.00%	BNPII3MU	I3MU
BNP Paribas MS - Income Fund Star Series 4 Index (USD-Hedged)	USD	ER	Income Funds	0%	150%	4.00%	BNPII4MU	I4MU
BNP Paribas MSB - Income Fund Star Series 3 Index (EUR)	EUR	TR	Income Funds	0%	100%	4.00%	BNPII3MB	I3MB
BNP Paribas MSB - Income Fund Star Series 4 Index (EUR)	EUR	TR	Income Funds	0%	100%	4.00%	BNPII4MB	I4MB
BNP Paribas MS - Allocation Fund Stars Series 3 Index (EUR)	EUR	ER	Star managers	0%	150%	5.00%	BNPIA3MT	A3MT
BNP Paribas MS - Allocation Fund Stars Series 4 Index (EUR)	EUR	ER	Star managers	0%	150%	5.00%	BNPIA4MT	A4MT
BNP Paribas MS - Allocation Fund Stars Series 3 Index (USD Hedged)	USD	ER	Star managers	0%	150%	5.00%	BNPIA3MU	A3MU
BNP Paribas MS - Allocation Fund Stars Series 4 Index (USD Hedged)	USD	ER	Star managers	0%	150%	5.00%	BNPIA4MU	A4MU
BNP Paribas MSB - Allocation Fund Stars Series 3 Index (EUR)	EUR	TR	Star managers	0%	100%	5.00%	BNPIA3MB	A3MB
BNP Paribas MSB - Allocation Fund Stars Series 4 Index (EUR)	EUR	TR	Star managers	0%	100%	5.00%	BNPIA4MB	A4MB
BNP Paribas MS – MultiStrat Fund Stars Series 2 Index (EUR)	EUR	ER	Star managers	0%	150%	5.00%	BNPIM2MT	M2MT
BNP Paribas MS – MultiStrat Fund Stars Series 3 Index (EUR)	EUR	ER	Star managers	0%	150%	5.00%	BNPIM3MT	M3MT
BNP Paribas MS – MultiStrat Fund Stars Series	USD	ER	Star managers	0%	150%	5.00%	BNPIM2MU	M2MU

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
2 Index (USD Hedged)								
BNP Paribas MS – MultiStrat Fund Stars Series 3 Index (USD Hedged)	USD	ER	Star managers	0%	150%	5.00%	BNPIM3MU	M3MU
BNP Paribas MSB – MultiStrat Fund Stars Series 2 Index (EUR)	EUR	TR	Star managers	0%	100%	5.00%	BNPIM2MB	M2MB
BNP Paribas MSB – MultiStrat Fund Stars Series 3 Index (EUR)	EUR	TR	Star managers	0%	100%	5.00%	BNPIM3MB	M3MB
BNP Paribas MS – Newcits Fund Stars Series 4 Index (EUR)	EUR	ER	Newcits Funds	0%	150%	4.00%	BNPIN4MT	N4MT
BNP Paribas MS – Newcits Fund Stars Series 5 Index (EUR)	EUR	ER	Newcits Funds	0%	150%	4.00%	BNPIN5MT	N5MT
BNP Paribas MS – Newcits Fund Stars Series 4 Index (USD Hedged)	USD	ER	Newcits Funds	0%	150%	4.00%	BNPIN4MU	N4MU
BNP Paribas MS – Newcits Fund Stars Series 5 Index (USD Hedged)	USD	ER	Newcits Funds	0%	150%	4.00%	BNPIN5MU	N5MU
BNP Paribas MS – Newcits Fund Stars Series 4 Index (EUR)	EUR	TR	Newcits Funds	0%	100%	4.00%	BNPIN4MB	N4MB
BNP Paribas MS – Newcits Fund Stars Series 5 Index (EUR)	EUR	TR	Newcits Funds	0%	100%	4.00%	BNPIN5MB	N5MB
BNP Paribas Fd - Global Inflation Funds Index (EUR)	EUR	ER	Inflation bond	0%	150%	4.00%	BNPIGIFT	GIFT
BNP Paribas Fd - Global Inflation Funds Index (USD-Hedged version)	USD	ER	Inflation bond	0%	150%	4.00%	BNPIGIFU	GIFU
Indeks Polskich Funduszy Dłużnych	PLN	TR	Polish Bond Funds	0%	100%	2.50%	ENHADLUZ	DLUZ
BNP Paribas MS - Global High Yield and Investment Grade Bond Funds Index (EUR)	EUR	ER	High Yield / IG	0%	150%	3.00%	BNPIHIMT	HIMT
BNP Paribas MS - Global High Yield and Investment Grade Bond Funds Net ER Index (EUR)	EUR	ER	High Yield / IG	0%	150%	3.00%	BNPIHIMN	HIMN
BNP Paribas MS - Global Inflation Funds Index (EUR)	EUR	ER	Inflation bond	0%	150%	4.00%	BNPIGIMT	GIMT
BNP Paribas MS - Global Inflation Funds Net ER Index (EUR)	EUR	ER	Inflation bond	0%	150%	4.00%	BNPIGIMN	GIMN
BNP Paribas Fd – Strategic Bond Fund Stars Net ER Index (EUR)	EUR	ER	Bond Funds	0%	150%	2.50%	BNPISBFN	SBFN
BNP Paribas Fd – Financial Bonds Funds Index (EUR)	EUR	ER	Financial Bonds	0%	150%	4.00%	BNPIFBFT	FBFT
BNP Paribas Fd – Financial Bonds Funds Index (USD-hedged)	USD	ER	Financial Bonds	0%	150%	4.00%	BNPIFBFU	FBFU
BNP Paribas FdB – Financial Bonds Funds Index (EUR)	EUR	TR	Financial Bonds	100%	100%	4.00%	BNPIFBFB	FBFB
BNP Paribas Fd – Financial Bonds Funds Net ER Index (EUR)	EUR	ER	Financial Bonds	0%	150%	4.00%	BNPIFBFN	FBFN
BNP Paribas Fd – Financial Bonds Funds TR Index (EUR)	EUR	TR	Financial Bonds	0%	150%	4.00%	BNPIFBFR	FBFR
BNP Paribas Fd – Short Duration High Yield Debt Funds Index (EUR)	EUR	ER	Short Duration High Yield Debt	0%	150%	4.00%	BNPISHFT	SHFT
BNP Paribas Fd – Short Duration High Yield Debt Funds Index (USD-hedged)	USD	ER	Short Duration High Yield Debt	0%	150%	4.00%	BNPISHFU	SHFU



Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
BNP Paribas FdB – Short Duration High Yield Debt Funds Index (EUR)	EUR	TR	Short Duration High Yield Debt	100%	100%	4.00%	BNPISHFB	SHFB
BNP Paribas Fd – Short Duration High Yield Debt Funds Net ER Index (EUR)	EUR	ER	Short Duration High Yield Debt	0%	150%	4.00%	BNPISHFN	SHFN
BNP Paribas Fd – Short Duration High Yield Debt Funds TR Index (EUR)	EUR	TR	Short Duration High Yield Debt	0%	150%	4.00%	BNPISHFR	SHFR
BNP Paribas Fd – Bank Loans Funds Index (EUR)	EUR	ER	Bank Loans Funds	0%	150%	4.00%	BNPIBLFT	BLFT
BNP Paribas Fd – Bank Loans Funds Index (USD-hedged)	EUR	ER	Bank Loans Funds	0%	150%	4.00%	BNPIBLFU	BLFU
BNP Paribas FdB – Bank Loans Funds Index (EUR)	EUR	TR	Bank Loans Funds	100%	100%	4.00%	BNPIBLFB	BLFB
BNP Paribas Fd – Bank Loans Funds Net ER Index (EUR)	EUR	ER	Bank Loans Funds	0%	150%	4.00%	BNPIBLFN	BLFN
BNP Paribas Fd – Bank Loans Funds TR Index (EUR)	EUR	TR	Bank Loans Funds	0%	150%	4.00%	BNPIBLFR	BLFR
Swedish Mixed Allocation Adjusted Funds Index (SEK)	SEK	AR	Mutual Fund	0%	100%	11.00%	BNPIASWP	ASWPR
BNP Paribas MS - Allocation Fund Stars Series 2 Index (EUR)	EUR	ER	Star managers	0%	150%	5.00%	BNPIA2MT	A2MTER
BNP Paribas Fd - Global Inflation Funds Index (EUR)	EUR	TR	Inflation bond	0%	150%	4.00%	BNPIGIFB	GIFBTR
BNP Paribas Fd - Global Inflation Funds Index (EUR)	EUR	ER	Inflation bond	0%	150%	4.00%	BNPIGIFN	GIFNER
BNP Paribas Fd - Global Inflation Funds TR Index (EUR)	EUR	TR	Inflation bond	0%	150%	4.00%	BNPIGIFR	GIFRTR
BNP Paribas Fd - Multi Asset SRI Funds Index VC 4 ER (EUR)	EUR	ER	SRI	0%	150%	4.00%	BNPIMIFN	MIFNER
BNP Paribas Fd - Multi Asset SRI Funds Index VC 4 TR (EUR)	EUR	TR	SRI	0%	150%	4.00%	BNPIMIFR	MIFRTR
BNP Paribas Fd - Multi Asset SRI Funds Index (EUR)	EUR	TR	SRI	100%	100%	4.00%	BNPIMIFB	MIFB
BNP Paribas Fd - Multi Asset SRI Funds AR Index (EUR)	EUR	TR	SRI	100%	100%	4.00%	BNPIMIEB	MIEB
BNP Paribas Fd - Multi Asset SRI Funds AR Index (USD)	USD	TR	SRI	100%	100%	4.00%	BNPIMIUB	MIUB
BNP Paribas Fd - Multi Asset SRI Funds Index VC 4 ER (EUR)	EUR	ER	SRI	0%	150%	4.00%	BNPIMIFE	MIFE
BNP Paribas Fd - Multi Asset SRI Funds Index VC 4 ER (USD-hedged)	USD	ER	SRI	0%	150%	4.00%	BNPIMIFU	MIFU
BNP Paribas Fd - Multi Asset SRI Funds Index VC 4 ER (SEK-hedged)	SEK	ER	SRI	0%	150%	4.00%	BNPIMIFS	MIFS

### 3. Thematic Equity Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide exposure to the performance of a notional basket of "Equity" Index Components. The Index comprises a basket of a minimum of 5 and a maximum of 50 "Equity" Index Components whose revenues are predominantly linked to a specific thematic
2	Description of the process of	The objective of each Index is to provide exposure to the performance

	selecting components weighting factors	of a notional basket of "Equity" Index Components. The Index comprises a basket of a minimum of 5 and a maximum of 50 "Equity" Index Components whose revenues are predominantly linked to a specific thematic.
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Generally twice a year
7	Type of index	All Indices listed in the table below are part of the Thematic Equity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
BNP Emerging Consumer ER	EUR	ER	Consumer	0%	200%	15%	BNPIECER	ECER
Ethibel ER	EUR	ER	Ethibel	0%	200%	15%	BNPIETER	ETER
Energy Efficiency ER	EUR	ER	Energy Efficiency	0%	200%	15%	BNPIEER	EEER
Emerging Infrastructure ER	EUR	ER	Infrastructure	0%	100%	18%	BNPIEIER	EIER
Agribusiness ER	EUR	ER	Agribusiness	0%	200%	15%	BNPIGAER	GAER
Agribusiness USD TR	USD	TR	Agribusiness	0%	200%	15%	BNPIGAUI	GAUTR
Grey Gold ER	EUR	ER	Grey Gold	0%	200%	15%	BNPIGGER	GGER
Global Infrastructure ER	EUR	ER	Infrastructure	0%	200%	15%	BNPIGIER	GIER
Global Waste Management ER	EUR	ER	Waste Management	0%	200%	15%	BNPIGWER	GWER
M&A ER	EUR	ER	M&A	0%	200%	SX5E	BNPIMAER	MAER
M&A TR	EUR	ER	M&A	100%	100%	NA	BNPIMATR	MATR
Renewable Energy ER	EUR	ER	Renewable Energy	0%	200%	15%	BNPIREER	REER
Global Water ER	EUR	ER	Water	0%	200%	15%	BNPIWAER	WAER
Next 11 Core 8 ER	EUR	ER	Emerging Markets	0%	100%	18%	BNPINEER	NEER
Renewable Energy USD TR	USD	TR	Renewable Energy	0%	200%	15%	BNPIREUI	REUTR
BNP Paribas High Div 15 TR Index	EUR	TR	High Dividend	0%	100%	15%	BNPIHDTR	HD15TR
BNPP Global Green Excess Return Index volcap 12% ER	EUR	ER	Green	0%	100%	12%	BNPIGRER	GEER
Key Idea ER	EUR	ER	Key Idea	0%	200%	SX5E	BNPIKIER	KIER
BNP Paribas High Div 15 ER Index	EUR	ER	High Dividend	0%	100%	15%	BNPIHDER	HD15EER
BNP Paribas Inflation Equity USD TR	USD	TR	Inflation	100%	100%	NA	BNPIIEUT	IEUTR
BNP Paribas High Div Naked TR Index	EUR	TR	High Dividend	100%	100%	NA	BNPIHDNT	HDNTR
BNP Paribas High Dividend Yield Japan Equity Long TR	JPY	TR	High Dividend	100%	100%	NA	BNPIHDJT	HDJTTR
BNP Paribas African Consumer EUR TR	EUR	TR	Consumer	100%	100%	NA	BNPIACTR	ACTR
BNP Paribas African Consumer Isovol 15 EUR ER	EUR	ER	Consumer	0%	150%	15%	BNPIACER	ACERER
AXA Singapore Equity	SGD	PR	Singapore	0%	100%	11%	ENHAALSG	ENHAALSG



Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
Select Index								PR
BNP Paribas World ex Japan Large Cap Tracker Index TR	USD	TR	World ex Japan	0%	200%	NA	BNPIWLCT	WLCTTR
Next 11 Core 8 SBox PR	EUR	PR	Next 11	0%	100%	NA	BNPINEPR	BNPINEPR
BNP Paribas Technology 15 RUB Index	RUB	ER	Techno	0%	150%	15%	BNPINTRE	NTRER
BNP Paribas Global Agribusiness Total Return Index (USD)	USD	TR	Agribusiness	0%	200%	15%	BNPIGATR	BNPIGATR
BNP Paribas Global Waste Management Total Return Index (USD)	USD	TR	Waste Management	100%	100%	NA	BNPIGWTR	BNPIGWTR
BNP Paribas Next 11 Core 8 Total Return Index (USD)	USD	TR	Emerging Markets	100%	100%	NA	BNPINETR	BNPINETR
BNP Paribas Global Renewable Energies Total Return Index (USD)	USD	TR	Renewable Energies	100%	100%	NA	BNPIRETR	BNPIRETR
BNP Paribas Global Water Total Return Index (USD)	USD	TR	Water	100%	100%	NA	BNPIWATR	BNPIWATR
BNP Paribas World Renewable Energy Total Return Index (EUR)	EUR	TR	Renewable Energies	100%	100%	NA	BNPIRETE	BNPRETE
Next dividend Low Risk Europe	EUR	PR	Efficient Europe	100%	100%	NA	BNPINXDV	NXDVPR
Next Dividend High Beta Europe	EUR	PR	Efficient Europe	100%	100%	NA	BNPINXHB	BNPINXHB PR
Dynamic deep Value Equity Europe Index	EUR	PR	Efficient Europe	100%	100%	NA	ENHADEEP	DEEPPR
Deep Value Europe Select 50 PR Index	EUR	PR	Efficient Europe	100%	100%	NA	ENHADVE5	DVE5ER
Global Grey Gold Select 30 USD	USD	PR	Ageing Population	100%	100%	NA	BNPIGGGP	GGGPPR
Sélection de Valeurs Kepler Chevreux TR	EUR	NA	Recherche Equities	100%	100%	NA	ENHAKSPR	KSPR
Sélection de Valeurs Kepler Chevreux PR	EUR	NA	Recherche Equities	100%	100%	NA	ENHAKSTR	KSTR

#### 4. Fixed Exposure Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide a positive exposure (" <b>Long</b> ") or negative exposure (" <b>Short</b> ") to the performance of instruments of different kinds (" <b>Instrument Kind</b> ") that can be a Future Contract (" <b>Future</b> ") or a Forward (" <b>Forward</b> ") or an Index (" <b>Index</b> ") that are linked to a given reference instrument (" <b>Reference Instrument</b> ").
2	Description of the process of selecting components weighting factors	Components and weights are fixed
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.

6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Fixed Exposure Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Long/Short	Cash Kind	Instrument Kind	Reference Instrument	Exposure	Bloomberg Code	Calculation Agent	Cinergy Code
BNP Paribas USD 10Y Futures Index ER	USD	Long	ER	Future	10-Year US Treasury Note	100%	BNPIFU10	BNP Paribas Arbitrage SNC	FU10ER
BNP Paribas USD EUR Forward Index ER	USD	Long	ER	Forward	USD-EUR Exchange Rate	100%	BNPIUSEU	BNP Paribas Arbitrage SNC	USEUER
BNP Paribas Eurozone Equity Futures Index ER	EUR	Long	ER	Future	DJ Euro Stoxx 50 Index	100%	BNPIFEU	BNP Paribas Arbitrage SNC	FEUER
BNP Paribas Australia Equity Futures Index ER	AUD	Long	ER	Future	S&P/ASX 200 INDEX	100%	BNPIFAU	BNP Paribas Arbitrage SNC	FAUER
BNP Paribas EUR 5Y Futures Index ER	EUR	Long	ER	Future	Euro-Bobl 5yr 6%	100%	BNPIFEU5	BNP Paribas Arbitrage SNC	FEU5ER
BNP Paribas EUR 10Y Futures Index ER	EUR	Long	ER	Future	Euro-Bund 10yr 6%	100%	BNPIFE10	BNP Paribas Arbitrage SNC	FE10ER
BNP Paribas Hong Kong Equity Futures Index ER	HKD	Long	ER	Future	HANG SENG INDEX	100%	BNPIFHK	BNP Paribas Arbitrage SNC	FHKER
BNP Paribas Singapore Equity Futures Index ER	SGD	Long	ER	Future	MSCI SINGAPORE FREE	100%	BNPIFSG	BNP Paribas Arbitrage SNC	FSGER
BNP Paribas Japan Equity Futures Index ER	JPY	Long	ER	Future	NIKKEI 225	100%	BNPIFJP	BNP Paribas Arbitrage SNC	FJPER
BNP Paribas US Equity Futures Index ER	USD	Long	ER	Future	S&P 500 INDEX	100%	BNPIFUS	BNP Paribas Arbitrage SNC	FUSER
BNP Paribas UK Equity Futures Index ER	GBP	Long	ER	Future	FTSE 100 INDEX	100%	BNPIFGB	BNP Paribas Arbitrage SNC	FGBER
BNP Paribas US Equity 5Y Futures Index ER	USD	Long	ER	Future	S&P 500 INDEX	100%	BNPIFUS5	BNP Paribas Arbitrage SNC	FUS5ER
BNP Paribas Taiwan Equity Futures Index ER	USD	Long	ER	Future	MSCI TAIWAN	100%	BNPIFTW	BNP Paribas Arbitrage SNC	FTWER
BNP Paribas China Equity Futures Index ER	HKD	Long	ER	Future	HANG SENG CHINA ENT INDX	100%	BNPIFCN	BNP Paribas Arbitrage SNC	FCNER
BNP Paribas Korea Equity Futures Index ER	KRW	Long	ER	Future	KOSPI 200 INDEX	100%	BNPIFKR	BNP Paribas Arbitrage SNC	FKRER
BNP Paribas GBP 10Y Futures Index ER	GBP	Long	ER	Future	UK 10yr 4.0 %	100%	BNPIFG10	BNP Paribas Arbitrage SNC	FG10ER
BNP Paribas Emergents Futures Index ER	USD	Long	ER	Future	MSCI EM	100%	BNPIFEM	BNP Paribas Arbitrage SNC	FEMER
BNP Paribas Volatility Front 5 days Futures Index ER	EUR	Long	ER	Future	CBOE SPX VOLATILITY INDX	100%	BNPIVX5E	BNP Paribas Arbitrage SNC	VX5EER
BNP Paribas JPY 10Y Futures Index ER	JPY	Long	ER	Future	Jpn 10yr 6%	100%	BNPIFJ10	BNP Paribas Arbitrage SNC	FJ10ER
BNP Paribas Sweden Futures Index ER	SEK	Long	ER	Future	OMX STOCKHOLM 30 INDEX	100%	BNPIFSW	BNP Paribas Arbitrage SNC	FSWER
BNP Paribas Russia Futures Index ER	USD	Long	ER	Future	RUSSIAN RTS INDEX \$	100%	BNPIFRU	BNP Paribas Arbitrage SNC	FRUER
BNP Paribas Italy Futures Index ER	EUR	Long	ER	Future	FTSE MIB INDEX	100%	BNPIFIT	BNP Paribas Arbitrage SNC	FITER
BNP Paribas Spain	EUR	Long	ER	Future	IBEX 35 INDEX	100%	BNPIFSP	BNP Paribas	FSPER

Index Name	Currency	Long/Short	Cash Kind	Instrument Kind	Reference Instrument	Exposure	Bloomberg Code	Calculation Agent	Cinergy Code
Futures Index ER								Arbitrage SNC	
BNP Paribas Netherlands Futures Index ER	EUR	Long	ER	Future	AEX-Index	100%	BNPIFNE	BNP Paribas Arbitrage SNC	FNEER
BNP Paribas EUR USD Forward Index ER	USD	Long	ER	Forward	EUR USD Exchange Rate	100%	BNPIEUUS	BNP Paribas Arbitrage SNC	EUUSER
BNP Paribas HKD USD Forward Index ER	USD	Long	ER	Forward	HKD USD Exchange Rate	100%	BNPIHKUS	BNP Paribas Arbitrage SNC	HKUSER
BNP Paribas South Africa Equity Futures Index ER	ZAR	Long	ER	Future	FTSE/JSE AFRICA TOP40 IX	100%	BNPIFSA	BNP Paribas Arbitrage SNC	FSAER
BNP Paribas Norway Futures Index ER	NOK	Long	ER	Future	OBX STOCK INDEX	100%	BNPIFNO	BNP Paribas Arbitrage SNC	FNOER
BNP Paribas CAD 10Y Futures Index ER	CAD	Long	ER	Future	Can 10yr 6%	100%	BNPIFC10	BNP Paribas Arbitrage SNC	FC10ER
BNP Paribas Turkey Equity Futures Index ER	TRY	Long	ER	Future	ISE NATIONAL 30	100%	BNPIFTU	BNP Paribas Arbitrage SNC	FTUER
BNP Paribas EUR 2Y Futures Index ER ER	EUR	Long	ER	Future	Euro-Schatz 2yr 6%	100%	BNPIFEU2	BNP Paribas Arbitrage SNC	FEU2ER
BNP Paribas Brazil Equity Futures Index ER	BRL	Long	ER	Future	BRAZIL BOVESPA INDEX	100%	BNPIFBR	BNP Paribas Arbitrage SNC	FBRER
BNP Paribas USD 30Y Futures Index ER	USD	Long	ER	Future	US 20yr 6%	100%	BNPIFU30	BNP Paribas Arbitrage SNC	FU30ER
BNP Paribas US Equity Futures (synch EU) Index ER	USD	Long	ER	Future	S&P 500 INDEX	100%	BNPIFUSS	BNP Paribas Arbitrage SNC	FUSSER
BNP Paribas Poland Equity Futures Index ER	PLN	Long	ER	Future	WSE WIG 20 INDEX	100%	BNPIFPL	BNP Paribas Arbitrage SNC	FPLER
BNP Paribas Switzerland Equity Futures Index ER	CHF	Long	ER	Future	SWISS MARKET INDEX	100%	BNPIFCH	BNP Paribas Arbitrage SNC	FCHER
BNP Paribas France Equity Futures Index ER ER	EUR	Long	ER	Future	CAC 40 INDEX	100%	BNPIFFR	BNP Paribas Arbitrage SNC	FFRER
BNP Paribas Germany Equity Futures Index ER ER	EUR	Long	ER	Future	DAX INDEX	100%	BNPIFGE	BNP Paribas Arbitrage SNC	FGEER
BNP Paribas Canada Equity Futures Index ER	CAD	Long	ER	Future	S&P/TSX 60 INDEX	100%	BNPIFCA	BNP Paribas Arbitrage SNC	FCAER
BNP Paribas US Small Caps Equity Futures Index ER	USD	Long	ER	Future	RUSSELL 2000 INDEX	100%	BNPIFUSC	BNP Paribas Arbitrage SNC	FUSCER
BNP Paribas EUR 5Y Index TR TR	EUR	Long	TR	Future	Euro-Bobl 5yr 6%	100%	BNPIFE5T	BNP Paribas Arbitrage SNC	FE5TR
BNP Paribas Equity Spread Euro STOXX50 Index Future vs CME S&P500 Index Future FX Hedged EUR Index TR TR	EUR	Long/Short	TR	Future	Euro Stoxx 50 Pr	100%	BNPISEUE	BNP Paribas Arbitrage SNC	SEUETR
BNP Paribas Equity Spread US vs Eurozone Future FX Hedged EUR Index TR	EUR	Long/Short	TR	Future	Euro Stoxx 50 Pr	-100%	BNPISUEE	BNP Paribas Arbitrage SNC	SUEETR
Inav on BNP Paribas Short European Volatility Index EUR TR ER	EUR	Long	ETN	Index	BNP Paribas Short European Volatility Index EUR TR	100%	BNPISVXI	BNP Paribas Arbitrage SNC	SVXIER
BNP Paribas US Equity X4 Daily Leverage Index TR	USD	Long	TR	Index	BNP Paribas US Equity Futures Index	400%	BNPI4LUT	BNP Paribas Arbitrage SNC	LUTTR
BNP Paribas US Equity X4 Daily	USD	Long	TR	Index	BNP Paribas US Equity X4 Daily	400%	BNPI4LUI	BNP Paribas Arbitrage SNC	LUITR

Index Name	Currency	Long/Short	Cash Kind	Instrument Kind	Reference Instrument	Exposure	Bloomberg Code	Calculation Agent	Cinergy Code
Leverage Index INAV					Leverage Index TR				
BNP Paribas US Equity X-4 Daily Leverage Index TR	USD	Long	TR	Index	BNP Paribas US Equity Futures Index	400%	BNPI4SUT	BNP Paribas Arbitrage SNC	SUTTR
BNP Paribas US Equity X-4 Daily Leverage Index INAV	USD	Long	TR	Index	BNP Paribas US Equity X-4 Daily Leverage Index TR	400%	BNPI4SUI	BNP Paribas Arbitrage SNC	SUITR
BNP Paribas France 10Y Index ER	EUR	Long	ER	Future	Euro-OAT 10yr 6%	100%	BNPIFF10	BNP Paribas Arbitrage SNC	FF10ER
BNP Paribas Europe 30Y Index ER	EUR	Long	ER	Future	Euro 30yr 4%	100%	BNPIFE30	BNP Paribas Arbitrage SNC	FE30ER
BNP Paribas US 2Y Index ER	USD	Long	ER	Future	US 2yr 6%	100%	BNPIFUS2	BNP Paribas Arbitrage SNC	FUS2ER
BNP Paribas Italy 10Y Index ER	EUR	Long	ER	Future	BTP 10yr 6%	100%	BNPIFI10	BNP Paribas Arbitrage SNC	FI10ER
BNP Paribas China Onshore Futures Index	USD	Long	ER	Future	FTSE China	100%	BNPIFCNO	BNP Paribas Arbitrage SNC	FCNO2ER
BNP Paribas Japan Tokyo Futures Index ER	JPY	Long	ER	Future	Topix Index	100%	BNPIFJT	BNP Paribas Arbitrage SNC	FJTER
BNP Paribas Emerging Currency Basket JPY ER Index	JPY	Long	ER	Index	BNP Paribas Emerging Currency Basket JPY ER Index	100%	BNPIECJE	BNP Paribas Arbitrage SNC	ECJEER
BNP Paribas Switzerland 10Y Future Index	CHF	Long	ER	Future	SWISS MARKET INDEX	100%	BNPIFS10	BNP Paribas Arbitrage SNC	FS10ER
India Equity Select Index	INR	Long	TR	Index	NSE CNX NIFTY INDEX	100%	ENHAINUT	BNP Paribas Arbitrage SNC	INUTTR
BNP Paribas Europe Small Caps Equity Futures Index	EUR	Long	ER	Futures	Stoxx Europe Small 200 Index Future	100%	BNPIFEUS	BNP Paribas Arbitrage SNC	BNPIFEUS
China Equities Rolling Futures Index	HKD	Long	ER	Futures	H-shares Index Future	100%	BNSXFCHI	Solactive	BNSXFCHI
Emerging Equities Rolling Futures Index	USD	Long	ER	Futures	mini MSCI Emerging Markets Index Future	100%	BNSXFEME	Solactive	FEME

## 5. Risk Control Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide a synthetic exposure to the performance of a " <b>Reference Index</b> ". The exposure to the underlying is dynamically adjusted in order to control the risks associated with the Index, with a volatility control mechanism
2	Description of the process of selecting components weighting factors	Based on the volatility of components
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").

5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Risk Control Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
Poland RC 20 PLN Hedged ER	PLN	ER	BNP Paribas Poland Equity Futures Index	0%	150%	20%	ENHAFPLP	FPLPER
BNP Paribas Risk-Controlled 10 US Equity Index ER	USD	ER	BNPP Paribas US Equity Futures Index	0%	NA	10%	BNPI10UE	RC10USEER
BNP Paribas Risk-Controlled 15 US Equity Index ER	USD	ER	BNPP Paribas US Equity Futures Index	0%	NA	15%	BNPI15UE	RC15USEER
BNP Paribas Risk-Controlled 20 US Equity Index ER	USD	ER	BNPP Paribas US Equity Futures Index	0%	NA	20%	BNPI20UE	RC20USEER
BNP Paribas Risk-Controlled 25 US Equity Index ER	USD	ER	BNPP Paribas US Equity Futures Index	0%	NA	25%	BNPI25UE	RC25USEER
BNP Paribas Risk-Controlled 30 US Equity Index ER	USD	ER	BNPP Paribas US Equity Futures Index	0%	NA	30%	BNPI30UE	RC30USEER
BNP Paribas Risk-Controlled 15 Eurozone Equity Index TR	EUR	TR	BNPP Paribas Eurozone Equity Futures Index	0%	NA	15%	BNPI15ET	SXE15TR
BNP Paribas Risk-Controlled 15 Eurozone Equity Index ER	EUR	ER	BNPP Paribas Eurozone Equity Futures Index	0%	NA	15%	BNPI15EE	SXE15ER
BRIC RC 10 PLN Hedged ER	PLN	ER	Dow Jones BRIC 50 All DR Volatility Risk Control Index	0%	150%	10%	ENHABRCP	BRCPER
Africa RC 10 PLN Hedged ER	PLN	ER	S&P Access Africa Daily Risk Control 10% Excess Return	0%	150%	10%	ENHAAFRP	AFRPER
BNP Paribas Volcap10 on 10Y American Bonds USD ER	USD	ER	Paribas USD 10Y Futures Index	0%	100%	10%	BNPI10U1	FU10_ISOVO L10ER
BNP Paribas Japanese Equity Dynamic Risk Control Index ER	JPY	ER	BNP Paribas Japan Tokyo Futures Index	0%	100%	10%	BNPIDJTE	DJTEER
BNP Paribas Japanese Equity Dynamic Risk Control Index TR	JPY	TR	BNP Paribas Japan Tokyo Futures Index	0%	100%	10%	BNPIDJTT	DJTT1TR
High Dividend RC 10 PLN Hedged ER Index	PLN	ER	Stoxx Global Dividend 100 Net Return Index	0%	100%	10%	ENHADVD P	ENHADVD P ER
HIGH YIELD RC 10 PLN HEDGED ER Index	PLN	ER	BNP Paribas Poland Equity Futures Index	0%	100%	10%	ENHAYILD	ENHAYILDE R
Russian Values Index	RUB	ER	BNPIFRU (Russia Futures Index) and SPGSGCP (GSCI Gold ER)	0%	150%	20%	ENHARVGI	ENHARVGIE R
BNP Paribas World ex-Japan Equity Dynamic Risk Control Index TR	USD	TR	NIKKEI 225	0%	150%	20%	BNPIDWET	BNPIDWETT R
BNP Paribas High Dividend Europe TR EUR	EUR	TR	SX5E Index	0%	100%	8%	BNPIHDE8	HDE8TR
BNP Paribas Maximum Income Equity Europe KRW 10 Index	KRW	ER	SX5E Index	0%	100%	10%	BNPIMIK1	MIK1ER
Insular Philippine Equity PHP Index	PHP	ER	Phillipines Stock Exchange	0%	100%	10%	ENHA21IL	ENHA21ILE R
Asia Tiger Risk Control 10 Excess Return	RUB	ER	MSCI EM	0%	150%	10%	ENHAAT10 E	AT10ER
BPI-Philam Asia Growth 3	PHP	ER	Phillipines Stock	0%	100%	10%	ENHABAG3	ENHABAG3

Index Name	Currency	Cash Kind	Reference Index	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
Index			Exchange					ER
Insular Philippine Equity PHP Index 2	PHP	ER	Phillipines Stock Exchange	0%	100%	10%	ENHAT2IL	T2ILER

## 6. Millenium Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide synthetic exposure to the performance of a notional long/short basket of (i) BNP Paribas custom indices based on future contracts for equity indices, bond indices and FX forward indices; and (ii) third party commodity indices, third party equity indices on real estate, and ETIs referencing emerging markets, bonds, and gold miner equities
2	Description of the process of selecting components weighting factors	Proprietary allocation algorithm aimed at maximizing return for a predetermined level of risk. The weights of the Index Components that comprise this basket are calculated taking into account their trends, volatility and/or correlation with the market and the other Components
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Millenium Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
Cadiz Dynamic New World Index TR	EUR	TR	0%	100%	12%	BNPICNWT	CNWTR
Millenium New World ER	EUR	ER	0%	100%	12%	BNPIMNWE	MNWER
Cadiz Dynamic New World Index ER	EUR	ER	0%	100%	12%	BNPICNWE	CNWER
Millenium US Centric ER	USD	ER	0%	100%	8%	BNPIMUER	MUER
CIMB Evergreen II Index ER	EUR	ER	-100%	100%	10%	CIMGEVG2	MMSEER
Millenium Japan 10 JPY TR	JPY	TR	0%	100%	10%	BNPIMJYT	MJYTR
Millenium 10 EUR Serie 3 TR	EUR	TR	0%	100%	10%	BNPIMV3T & BNPICGOT	M3TR
Millenium Evergreen Master Series ER	EUR	ER	-100%	100%	10%	CIMGEVGR	CIMGEV2ER
BNP Paribas Millenium 10 Europe Series 3 (HUF Hedged) ER	HUF	ER	0%	100%	10%	BNPIMH3E	M10HS3ER
BNP Paribas NF8 Europe (PLN Hedged) ER	PLN	ER	0%	100%	8%	BNPINFPE	NF8PER
BNP Paribas Millenium Master	JPY	ER	0%	100%	10%	BNPIMJ10	MJ10ER



Index Name	Currency	Cash Kind	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
Series Japan Vol 10 Index ER							
BNP Paribas Millenium Master Series 11 Fx hedged EUR Index TR	EUR	TR	0%	100%	11%	BNPIMMFT	MMFTTR
BNP Paribas Longitude Fx hedged EUR TR Index TR	EUR	TR	0%	100%	10%	BNPILGFT	GFTTR
Millenium Master Series Futures EUR ER	EUR	ER	0%	100%	10%	BNPIMMSF	MMSFER
Millenium Federal Finance Master Series EUR ER	EUR	ER	0%	100%	10%	BNPIMFFE	MFFER
Millenium Master Series 8 EUR ER	EUR	ER	0%	100%	8%	BNPIM8EE	M8EEER
BNP Paribas Longitude EUR Index ER	EUR	ER	0%	100%	10%	BNPILGEE	GLEER
BNP Paribas Multi-Asset Inflation Strategy Vol 5 ER	EUR	ER	0%	100%	10%	BNPIMIE5	MIE5ER
BNP Paribas millenium master series (HUF Hedged) ER	HUF	ER	0%	100%	10%	BNPIMMSH	MMSHER
Millenium Master Sparkasse Bremen Vermoens strategie Index EUR ER	EUR	ER	0%	100%	10%	BNPISBME	MMSBER
Millenium Master Series 8 PLN ER	PLN	ER	0%	100%	8%	BNPIM8PE	M8PEER
BNP Paribas Millenium Master Series USD Hedged Index ER	USD	ER	0%	100%	10%	BNPIMMUE	MMUEER
BNP Paribas Multi-Asset Aggressive (HUF Hedged) Index ER	HUF	ER	0%	100%	12%	BNPIM12H	M12HER
BNP Paribas Multi-Asset Conservative (HUF Hedged) Index ER	HUF	ER	0%	100%	6%	BNPIM6HE	M6HEER
BNP Paribas Multi-Asset Balanced (HUF Hedged) Index ER	HUF	ER	0%	100%	8%	BNPIM8HE	M8HEER
BNP Paribas Longitude HUF Hedged ER Index ER	HUF	ER	0%	100%	10%	BNPILGHE	GHEER
BNP Paribas Millenium Diversifie CRN Index ER	EUR	ER	0%	100%	8%	BNPIMCRN	MCRNER
BNP Paribas Master Series 10 PLN ER	PLN	ER	0%	100%	10%	BNPIMMPE	MMPEER
Millenium 10 Europe Series 3 (Sterling Hedged) TR	EUR	TR	0%	100%	10%	BNPIMS3T	MS3TR
BNP Paribas Multi-Asset Inflation Strategy Vol 10 ER	EUR	ER	0%	100%	10%	BNPIMIEE	MIEEER
Millenium New World TR	EUR	TR	0%	100%	12%	BNPIMNWT	MNWTR
Millenium US Centric TR	USD	TR	0%	100%	8%	BNPIMUTR	MUTR
Global Optimal Index ER	EUR	ER	-100%	100%	10%	ENHAGLOB	MMSE2ER
New Frontier 8 Europe TR	EUR	TR	0%	100%	8%	BNPINF8T	NF8TR
New Frontier 8 Europe ER	EUR	ER	0%	100%	8%	BNPINF8E	NF8ER
Millenium 10 EUR Serie 1 TR	EUR	TR	0%	100%	10%	BNPIMV1T	MITR
BNP Paribas Millenium Master Series 6 EUR ER	EUR	ER	0%	100%	10%	BNPIM6EE	M6EEER
BNP Paribas Millenium Master Series 12 EUR ER	EUR	ER	0%	100%	12%	BNPIM12E	M12EER
Millenium Finance ER	EUR	ER	0%	100%	10%	BNPIMFFT	MFER
BNP Paribas Millenium Diversified vol 4 EUR ER Index ER	EUR	ER	0%	150%	4%	BNPIMD4E	MD4EER
BNP Paribas Millenium Diversified EUR ER Index ER	EUR	ER	0%	300%	8%	BNPIMDEE	MDEEER
Zurich Multi Asset Inflation Strategy Index ER	CHF	ER	0%	100%	10%	BNPIZMI6	ZMI6ER
BNP Paribas Emerging Plus (HUF Hedged) ER index ER	HUF	ER	0%	100%	10%	BNPIEGHE	EGHEER
BNP Paribas Emerging Plus (PLN Hedged) ER Index ER	PLN	ER	0%	100%	10%	BNPIEPPE	EPPEER
BNP Paribas Enhanced Diversified (HUF Hedged) Index ER	HUF	ER	NA	NA	NA	BNPIDIHE	DIHEER
BNP Paribas Enhanced Diversified (HUF Hedged) Index	HUF	ER	0%	100%	10%	BNPIDIHE	DIHE
Millenium CIMB Master Series EUR ER	EUR	ER	0%	100%	10%	CIMMILER	CIMV2ER
Cadiz Dynamic Global Opportunities Excess Return Index	EUR	ER	0%	100%	10%	BNPICGOE	MV3EER
New Frontier 5 Social Europe TR	EUR	TR	0%	100%	10%	BNPIN5SE	NF5SEER

Index Name	Currency	Cash Kind	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
World of Wealth Index	RUB	ER	0%	300%	8%	ENHAWWIR	ENHAWWIRER
BNP Paribas Balanced Allocation Index	EUR	TR	0%	100%	7%	BNPIBAI	BNPIBAI
BNP Paribas Classic Allocation Index	EUR	TR	0%	100%	10%	BNPICAI	BNPICAI
BNP Paribas Dynamic Allocation Index	EUR	TR	0%	100%	18%	BNPIDAI	BNPIDAI
BNP Paribas Multi-Asset Diversified vol 10 ER	EUR	ER	-33%	100%	10%	BNPIMD10	MD10ER
BNP Paribas Multi-Asset Diversified vol 4 USD Fx hedged Index	USD	ER	-33%	100%	4%	BNPIMD4U	MD4U
BNP Paribas Multi-Asset Diversified USD Fx hedged Index	USD	ER	-33%	100%	8%	BNPIMDUE	MDUE
BNP Paribas Multi-Asset Diversified vol 4 EUR Global Index	EUR	ER	0%	150%	4%	BNPIMD4A	BNPIMD4A
BNP Paribas Multi-Asset Diversified vol 8 EUR Global Index	EUR	ER	0%	300%	8%	BNPIMD8A	BNPIMD8A
BNP Paribas Multi-Asset Diversified vol 8 USD Fx Hedged Global Index	USD	ER	0%	300%	8%	BNPID8UA	BNPID8UA
BNP Paribas Multi-Asset Diversified vol 4 USD Fx Hedged Global Index	USD	ER	0%	150%	4%	BNPID4UA	BNPID4UA
BNP Paribas Millenium 10 EUR Serie 3 TR ex Agri	EUR	TR	0%	100%	10%	BNPIM3EA	MI3EA
BNP Paribas Multi-Asset Diversified EUR ex Agri	EUR	ER	0%	300%	8%	BNPIMD8X	BNPIMD8X
BNP Paribas Dynamic Opportunities EUR ER Index	EUR	ER	100%	100%	4%	BNPIDOEE	DOEE
BNP Paribas Dynamic Opportunities EUR TR Index	EUR	TR	100%	100%	4%	BNPIDOET	DOET
BNP Paribas MultiAsset D	EUR	TR	0%	100%	10%	BNPIMAD	MADTR
BNP Paribas MultiAsset A	EUR	ER	0%	100%	12%	BNPIMAA	MAATR
BNP Paribas MultiAsset M	EUR	ER	0%	100%	6%	BNPIMAM	MAMTR
Aurora Aggressive	EUR	TR	0%	100%	12%	BNPIAUAG	AUAGTR
Aurora Dynamic	EUR	TR	0%	100%	10%	BNPIAUDY	AUDYTR
Aurora Moderate	EUR	TR	0%	100%	6%	BNPIAUMO	AUMOTR
Multi-Asset Strategie	EUR	ER	0%	150%	5%	BNPIMAS	MASER
BNP Paribas Multi Asset Diversified 5 Index	USD	ER	0%	100%	5%	BNPIMAD5	BNPIMAD5
BNP Paribas Multi-Asset Diversified vol 8 EUR Future Index	EUR	ER	0%	300%	8%	BNPIMD8F	MD8FER
BNP Paribas Multi-Asset Diversified vol 4 EUR Future Index	EUR	ER	0%	150%	4%	BNPIMD4F	MD4FER
BNP Paribas Multi-Asset Diversified vol 2 EUR Future Index	EUR	ER	0%	100%	2%	BNPIMD2F	MD2FER
BNP Paribas Multi-Asset Diversified vol 8 USD Fx Hedged Future Index	USD	ER	0%	300%	8%	BNPID8UF	D8UFER
BNP Paribas Multi-Asset Diversified vol 4 USD Fx Hedged Future Index	USD	ER	0%	150%	4%	BNPID4UF	D4UFER
BNP Paribas Multi-Asset Diversified vol 2 USD Fx Hedged Future Index	USD	ER	0%	100%	2%	BNPID2UF	D2UFER
BNP Paribas Multi-Asset Diversified vol 10 EUR Future Index	EUR	ER	0%	300%	10%	BNPID10F	D10FER
BNP Paribas MS - Multi Asset Dynamic Fund Index EUR TR	EUR	TR	100%	100%	4%	BNPIMDFT	MDFT
BNP Paribas MS - Multi Asset Dynamic Fund Index EUR ER	EUR	ER	100%	100%	4%	BNPIMDFE	MDFE
BNP Paribas Multi-Asset Diversified vol 10 ER ex Agri	EUR	ER	0%	300%	10%	BNPIMDEA	MD10EAER
BNP Paribas Cross Asset Income Maximizer Vol 8 Index USD TR	USD	TR	0%	100%	8%	BNPIIM8U	M8U
BNP Paribas Cross Asset Income Maximizer Vol 8 Index EUR TR	EUR	TR	0%	100%	8%	BNPIIM8E	IM8E
BNP Paribas Multi Asset Global	EUR	ER	0%	200%	5%	BNPIMAGI	MAGI



Index Name	Currency	Cash Kind	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
Income Index							
BNP Paribas Multi-Asset Diversified Defensive EUR Index	EUR	ER	0%	200%	5%	BNPIMDDE	MDDEER
BNP Paribas Multi Asset Income Maximizer Vol 4 Index EUR AR	EUR	TR	100%	100%	4%	BNPIIM4E	IM4E
BNP Paribas Multi Asset Income Maximizer Vol 5 Index EUR AR	EUR	TR	100%	100%	5%	BNPIIM5E	IM5E
BNP Paribas Multi Asset Income Maximizer Vol 4 Index EUR ER	EUR	ER	100%	100%	4%	BNPIIME4	IME4
BNP Paribas Multi Asset Income Maximizer Vol 5 Index EUR ER	EUR	ER	100%	100%	5%	BNPIIME5	IME5
BNP Paribas Multi Asset Income Maximizer Vol 4 Index (USD-hedged)	USD	TR	100%	100%	4%	BNPIIM4U	IM4U
BNP Paribas Multi Asset Income Maximizer Vol 5 Index (USD-hedged)	USD	TR	100%	100%	5%	BNPIIM5U	IM5U
BNP Paribas Multi-Asset Diversified vol 16 EUR Future Index	EUR	ER	0%	600%	16%	BNPIMD16	MD16ER
BNP Paribas Multi-Asset Diversified vol 16 USD FX Hedged Future Index	USD	ER	0%	600%	16%	BNPID16U	D16UER
BNP Paribas Multi-Asset Diversified Protected EUR Index	EUR	ER	0%	400%	10%	BNPIMADP	MADP
BNP Paribas Multi-Asset Diversified Protected Vol 5 EUR Index	EUR	ER	0%	200%	5%	BNPIMDP5	MDP5
BNP Paribas Multi-Asset Diversified Protected USD Index	USD	ER	0%	400%	10%	BNPIMDPU	MDPU
BNP Paribas Multi-Asset Diversified Protected Vol 5 USD Index	USD	ER	0%	200%	5%	BNPIMP5U	MP5U
BNP Paribas Multi-Asset Diversified Defensive Global EUR Index	EUR	ER	0%	200%	5%	BNPIMDDG	MDDGER
BNP Paribas Smart Momentum Strategy EUR Index	EUR	ER	0%	200%	5%	BNPISMSE	SMSE
BNP Paribas Smart Momentum Strategy USD Index	USD	ER	0%	200%	5%	BNPISMSU	SMSU
BNP Paribas Smart Momentum Strategy Vol 4 EUR Index	EUR	ER	0%	200%	4%	BNPISM4E	SM4E
BNP Paribas Smart Momentum Strategy Vol 4 USD Index	USD	ER	0%	200%	4%	BNPISM4U	SM4U
BNP Paribas MS - Multi Style Fund Index (EUR)	EUR	ER	0%	150%	4%	BNPIMSTF	MSTF
BNP Paribas MS - Multi Style Fund Index (USD-Hedged)	USD	ER	0%	150%	4%	BNPIMSTU	MSTU
BNP Paribas MSB - Multi Style Fund Index (EUR)	EUR	TR	100%	100%	4%	BNPIMSTB	MSTB
Dynamic Allocation Fund Stars Index VC 4 ER (EUR)	EUR	ER	0%	150%	4%	ENHADFSSE	DFSE
Dynamic Allocation Fund Stars Index VC 4 ER (USD-hedged)	USD	ER	0%	150%	4%	ENHADFSU	DFSU
Dynamic Allocation Fund Stars Index	PLN	ER	0%	150%	4%	ENHADFSFSP	DFSP
K Multi Asset RisK Opportunities Index	EUR	ER	0%	200%	5%	ENHAMARK	MARK
K Multi Asset RisK Opportunity Index TR	EUR	TR	0%	200%	5%	ENHAMART	MART
Dynamic Allocation Fund Stars Index TR (EUR)	EUR	TR	100%	100%	4%	ENHADFSB	DFSE
Dynamic Allocation Fund Stars Index VC 4 Net ER (EUR)	EUR	ER	0%	150%	4%	ENHADFSN	DFSN
Dynamic Allocation Fund Stars Index VC 4 AR (EUR)	EUR	TR	0%	150%	4%	ENHADFSR	DFSR
BNP Paribas Fd - Multi Asset SRI Funds Index VC 3 ER (EUR)	EUR	ER	0%	150%	3%	BNPIM3FE	M3FE
BNP Paribas Fd - Multi Asset SRI Funds Index VC 3 Net ER Index (EUR)	EUR	ER	0%	150%	3%	BNPIM3FN	M3FN

## 7. Platinum Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide synthetic exposure to the performance of a notional basket of Index Components which are a diversified portfolio of BNP Paribas proprietary indices. Each Index Component implements an absolute return strategy, which is diversified and uncorrelated to the strategies implemented by other Index Components and each Index Component is chosen to represent a different asset class (Commodities, Volatility, Foreign Exchange and Equities, respectively).
2	Description of the process of selecting components weighting factors	The Index Methodology is comprised of an equally weighted basket of the Index Components
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Platinum Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
BNP Paribas Platinum Asia Index USD ER	USD	ER	0%	150%	3%	BNPIPAUE	PAUEER
Platinum EUR ER	EUR	ER	0%	200%	3%	BNPITEER	TEER
Platinum 2 EUR ER	EUR	ER	0%	150%	3%	BNPIZEER	TE2ER
Platinum USD ER	USD	ER	0%	200%	3%	BNPITUER	TUER
Platinum 2 FX hedge PLN ER	PLN	ER	0%	150%	3%	BNPIZPER	TP2ER
Platinum 2 FX hedge CZK ER	CZK	ER	0%	150%	3%	BNPIZCER	TC2ER
BNP Paribas Maars Index EUR ER	EUR	ER	0%	100%	5%	BNPIMAEER	MAEER
BNP Paribas Maars Fx hedged USD ER Index ER	USD	ER	0%	100%	5%	BNPIMAFU	MAFUER
BNP Paribas Maars 2 EUR ER Index ER	EUR	ER	0%	100%	5%	BNPIMAE2	MAE2ER
Platinum HUF ER	HUF	ER	0%	200%	3%	BNPITHER	THER
Platinum 3 EUR ER	EUR	ER	0%	150%	3%	BNPIP3EE	TE3ER
BNP Paribas platinum 3 FX hedge USD ER	USD	ER	0%	150%	3%	BNPIP3UE	TU3ER
BNP Paribas platinum 3 HUF fx-hedged Index ER	HUF	ER	0%	150%	3%	BNPIP3HE	TH3ER
BNP Paribas Platinum Index Series 4 EUR ER	EUR	ER	0%	150%	3%	BNPIP4EE	P4EEER
BNP Paribas Platinum 3 Extended GBP Index ER	GBP	ER	0%	150%	3%	BNPIP3GX	P3GXER
BNP Paribas Platinum 3 Extended USD Index ER	USD	ER	0%	150%	3%	BNPIP3EX	P3EXER
BNP Paribas Platinum Index Series 4 ER USD Hedged ER	USD	ER	0%	150%	3%	BNPIP4UE	P4UER

Index Name	Currency	Cash Kind	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
BNP Paribas Platinum Index Series 4 GBP Hedged ER	EUR	ER	0%	150%	3%	BNPIP4GE	P4GEER
BNP Paribas Quatrum PLN hedged ER Index	PLN	ER	0%	150%	3%	BNPIP3PE	TUPER
BNP Paribas Platinum 5 USD ER	USD	ER	0%	100%	4%	BNPIP5UE	P5UEER
BNP Paribas Platinum 5 ex-Agri USD ER	USD	ER	0%	100%	4%	BNPIP5UA	P5UAER

## 8. Harbour Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide synthetic exposure to the performance of a notional long only basket of (i) BNP Paribas custom indices based on future contracts for equity indices, bond indices and FX forward indices; and (ii) third party commodity indices, third party equity indices on real estate, and ETIs referencing emerging markets, bonds, and gold miner equities
2	Description of the process of selecting components weighting factors	Proprietary allocation algorithm aimed at maximizing return for a predetermined level of risk
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Harbour Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
BNP Paribas Harbor vol 4 EUR Index ER	EUR	ER	0%	150%	4%	BNPIH4EE	H4EEER
BNP Paribas Harbor EUR ER Index ER	EUR	ER	0%	300%	8%	BNPIHBEE	HBEER
BNP Paribas Harbourvol 4 USD Fx Hedged ER Index ER	EUR	ER	0%	150%	4%	BNPIH4UE	H4UER
BNP Paribas Harbour USD Fx Hedged ER Index ER	EUR	ER	0%	300%	8%	BNPIHBUE	HBUER
BNP Paribas Risk Off Futures Index	EUR	ER	0%	250%	8%	BNPIROFE	ROFE

## 9. Flexinvest Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide a synthetic exposure to the performance of a long only dynamic basket composed of a risky asset (" <b>Risky Asset</b> "), a deleverage asset (" <b>Deleverage Asset</b> ") and money market assets
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2	Description of the process of selecting components weighting factors	The respective weights of the component are determined by the Index Calculation Agent using the relative value of the Risky Asset to a set of its moving averages, and the volatility of the Risky Asset and/or Deleverage Asset.
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Flexinvest Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Risky Asset	Deleverage Asset	Bloomberg Code	Cinergy Code
Flex Invest Europe ER	EUR	ER	BNP Paribas Eurozone Equity Futures Index	BNP Paribas EUR 5Y Futures Index	BNPIFLEU	FLEUER
Smart Trend HSCEI Excess return Index ER	USD	ER	BNP Paribas China Equity Futures Index	BNP Paribas USD 5Y Futures Index	BNPISTHK	STHKER
Flex Invest US ER	USD	ER	BNP Paribas US Equity Futures Index	BNP Paribas USD 5Y Futures Index	BNPIFLUS	FLUSER
Flex Invest BRIC ER	USD	ER	S&P BRIC 40 NET TR	BNP Paribas USD 5Y Futures Index	BNPIFLBR	FLBRER
BNP Paribas Flex Invest BRIC (EUR hedged) ER	EUR	ER	S&P BRIC 40 NET TR	BNP Paribas USD 5Y Futures Index	BNPISHBR	SHBRER
Taunus FlexInvest Index ER	EUR	ER	BNP Paribas Eurozone Equity Futures Index	BNP Paribas USD 5Y Futures Index	BNPITSFE	TSFEER
PBS Flexinvest Asia Index ER	USD	ER	Basket of 7 Asian future indexes	BNP Paribas USD 5Y Futures Index	PBSDFLAS	PBSDFLER
BNP Paribas Libra Emerging Markets PLN Index ER	PLN	ER	iShares MSCI Emerging Markets Index	BNP Paribas USD 5Y Futures Index	BNPIFLEP	FLEPER
BNP Paribas Emerging Markets RAPID CZK ER Index ER	CZK	ER	iShares MSCI Emerging Markets Index	BNP Paribas USD 5Y Futures Index	BNPIFLEC	FLECER
BNP Paribas Emerging Markets EUR ER Index ER	EUR	ER	iShares MSCI Emerging Markets Index	BNP Paribas USD 5Y Futures Index	BNPIFLEE	FLEEER
BNP Paribas Flex Invest BRIC (PLN hedged) ER	PLN	ER	S&P BRIC 40 NET TR	BNP Paribas USD 5Y Futures Index	BNPIFLBP	FLBPER
BNP Paribas Flex Invest BRIC (HUF hedged) ER	HUF	ER	S&P BRIC 40 NET TR	BNP Paribas USD 5Y Futures Index	BNPIFLBH	FLBHER
BNP Paribas Smart Trend Gold Index ER	USD	ER	Gold	NA	BNPIFLGC	FLGCER

#### 10. Volatility Indices

1	Index strategy, investment policy, objective of the Index	The objective of the Index is to provide a positive exposure (" <b>Long</b> ") or positive and negative exposure (" <b>Long /Short</b> ") or short exposure (" <b>Short</b> ") to volatility through instruments of different kinds (" <b>Instrument Kind</b> ") that can be Future Contract (" <b>Future</b> ") or Option Contract (" <b>Option</b> ") or Index (" <b>Index</b> ").
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2	Description of the process of selecting components weighting factors	Index dependant
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Volatility Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Long or Long/Short or Short	Instrument Kind	Reference Instrument	Bloomberg Code	Cinergy Code
BNP Paribas Enhanced Volatility Strategy Index ER	USD	ER	Long	Future	CBOE SPX Volatility Index	BNPIVIX	VIXER
Classical Evolution Europe EUR ER	EUR	ER	Short	Index	Euro Stoxx 50 Volatility IndexVStoxx	BNPICEEE	CEEER
BNP Paribas Evolution Variance Euro Index ER	EUR	ER	Short	Option	DJ Euro Stoxx 50 Index	BNPIEOEE	EOEER
SMARTVOL US Series TR	USD	TR	Long	Future	CBOE SPX Volatility Index	BNPISVUS	SVUTR
BNP Paribas Enhanced Long Short Volatility Index ER	USD	ER	Long/Short	Future	CBOE SPX Volatility Index	BNPIVXLS	VXLSEER
BNP Paribas Enhanced Volatility Long Short 50 Index ER	USD	ER	Long/Short	Future	CBOE SPX Volatility Index	BNPIVX50	VX50ER
BNP Paribas Volatility Arbitrage US ER Index	USD	ER	Long/Short	Future	CBOE SPX Volatility Index	BNPIVALS	VALSNER
BNP Paribas Enhanced Medium Term Vix Futures Index	USD	ER	Long/Short	Future	CBOE SPX Volatility Index	BNPIEMTV	EMTVER
BNP Paribas Enhanced Short Term VIX Futures Index	USD	ER	Long/Short	Future	CBOE SPX Volatility Index	BNPIESTV	ESTVER
Evolution Advanced TR	EUR	TR	Short	Option	DJ Euro Stoxx 50 Index	BNPIEVET	EVENNTR
BNP PARIBAS DYNAMIC ROLLING 1YATMF STRADDLE EURO ER Index ER	EUR	ER	Long/Short	Option	DJ Euro Stoxx 50 Index	BNPIDSYE	DSYER
BNP PARIBAS DYNAMIC ROLLING 1YATMF STRADDLE US ER Index ER	USD	ER	Long/Short	Option	S&P 500 INDEX	BNPIDSYU	DSYUER
BNP PARIBAS E-volution Variance Repli US Excess Return Index ER	USD	ER	Short	Option	S&P 500 INDEX	BNPIEOUE	EOUER
BNP PARIBAS E-volution Variance Repli EU Excess Return Index ER	EUR	ER	Short	Option	DJ Euro Stoxx 50 Index	BNPIEORE	EORER
BNP Paribas Rolling Put Europe 3M 95 TR	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPIRPE4	RPE4TR
BNP Paribas Rolling Put Europe	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPIRPE3	RPE3TR

Index Name	Currency	Cash Kind	Long or Long/Short or Short	Instrument Kind	Reference Instrument	Bloomberg Code	Cinergy Code
3M 100 TR							
BBNP Paribas Rolling Put Europe 1Y 90 TR	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPIRPE2	RPE2TR
BNP Paribas Rolling Put Europe 1Y 100 TR	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPIRPE1	RPE1TR
BNP Paribas US Variance Replication Jun 12 USD TR	USD	TR	Long	Option	S&P 500 INDEX	BNPIURM2	URM2TR
BNP Paribas Europe 1Y Volatility TR	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPIV1EU	V1EU TR
E_volution Advanced ER	EUR	ER	Short	Option	DJ Euro Stoxx 50 Index	BNPIEVVEE	EVAER
BNP Paribas Enhanced Volatility FX Hedged EUR Index TR	EUR	TR	Long	Future	CBOE SPX Volatility Index	BNPIVXET	VXETTR
BNP Paribas Inverse US Volatility Balanced Hedged in EUR TR TR	USD	TR	Short	Future	CBOE SPX Volatility Index	BNPIVXVI	VXVITR
BNP PARIBAS Rolling 1Y ATMF Straddle Euro Total Return Ask Index TR	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPISYEA	YEATR
BNP PARIBAS Rolling 1Y ATMF Straddle Euro Total Return Bid Index TR	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPISYEB	YEBTR
BNP PARIBAS Rolling 1Y ATMF Straddle US Total Return Ask Index TR	USD	TR	Long	Option	S&P 500 INDEX	BNPISYUA	YUATR
BNP PARIBAS Rolling 1Y ATMF Straddle US Total Return Bid Index TR	USD	TR	Long	Option	S&P 500 INDEX	BNPISYUB	YUBTR
BNP PARIBAS E-volution Variance Repli EU Total Return Index TR	EUR	TR	Short	Option	DJ Euro Stoxx 50 Index	BNPIEORT	EORTTR
BNP PARIBAS E-Volution Variance Repli US Total Return Index TR	USD	TR	Short	Option	S&P 500 INDEX	BNPIEOUT	EOUTTR
BNP Paribas Vol Edge Term Structure Strategy index ER	EUR	ER	Long/Short	Option + Future	DJ Euro Stoxx 50 Index	BNPIVETS	VOLEER
BNP Paribas Europe 1Y Volatility for Short TR	EUR	TR	Short	Option	DJ Euro Stoxx 50 Index	BNPIV1ES	V1ESTR
BNP Paribas US 1Y Volatility TR	USD	TR	Short	Option	S&P 500 INDEX	BNPIV1UA	V1UATR
BNP Paribas US 1Y Volatility for Short TR	US	TR	Short	Option	S&P 500 INDEX	BNPIV1UB	V1UBTR
BNP Paribas Short European Volatility Index EUR ER ER	EUR	ER	Short	Future	VSTOXX Index	BNPISVXE	SVXEER
BNP Paribas Short European Volatility Index EUR TR TR	EUR	TR	Short	Future	VSTOXX Index	BNPISVXT	SVXTTR
BNP Paribas Long European Volatility Index EUR TR TR	EUR	TR	Long	Future	VSTOXX Index	BNPIVXTR	VXTR
Inav on BNP Paribas Long European Volatility Index EUR TR TR	EUR	TR	Long	Future	VSTOXX Index	BNPIVXTI	VXTITR
BNP Paribas EU Volatility Futures 1 Index ER	EUR	ER	Long	Future	VSTOXX Index	BNPIVXX1	VXX11ER
BNP Paribas EU Volatility Futures 2 Index ER	EUR	ER	Long	Future	VSTOXX Index	BNPIVXX2	VXX21ER
BNP Paribas EU Volatility Futures 3 Index ER	EUR	ER	Long	Future	VSTOXX Index	BNPIVXX3	VXX31ER
BNP Paribas EU Volatility Futures 4 Index ER	EUR	ER	Long	Future	VSTOXX Index	BNPIVXX4	VXX4ER
BNP Paribas EU Volatility Futures 5 Index ER	EUR	ER	Long	Future	VSTOXX Index	BNPIVXX5	VXX51ER
BNP Paribas Dynamic Volatility 1YATMF Euro ER Index	EUR	ER	Long/Short	Option	DJ Euro Stoxx 50 Index	BNPIDS1E	DS1E1ER
BNP Paribas Dynamic Volatility 1YATMF US ER Index	USD	ER	Long/Short	Option	S&P 500 INDEX	BNPIDS1U	DS1U1ER
BNP Paribas E-volution Variance Repli EU ER USD Index	USD	ER	Long	Option	DJ Euro Stoxx 50 Index	BNPIEORU	EORUER
BNP Paribas Enhanced Volatility Protection ER Index	USD	ER	Long	Future	VIX	BNPIEVPO	EVPO8ER



Index Name	Currency	Cash Kind	Long or Long/Short or Short	Instrument Kind	Reference Instrument	Bloomberg Code	Cinergy Code
BNP Paribas Volatility EU Futures Index ER	EUR	ER	Long	Future	VSTOXX Index	BNPIFVXX	FVXXER
BNP Paribas Rolling Options Eurozone Leverage 3 TR	EUR	TR	Long	Index/Option	DJ Euro Stoxx 50 Index	BNPIROE3	ROE3TR
BNP Paribas Rolling Options Eurozone Leverage 5 TR	EUR	TR	Long/Short	Option	DJ Euro Stoxx 50 Index	BNPIROE5	ROE5TR
BNP Paribas Rolling Put UK 1Y 100 TR	GBP	TR	Long	Option	FTSE	BNPIRPU1	RPU1TR
BNP Paribas Rolling Put UK 1Y 90 TR	GBP	TR	Long	Option	FTSE	BNPIRPU2	RPU2TR
BNP Paribas Rolling Put UK 3M 100 TR	GBP	TR	Long	Option	FTSE	BNPIRPU3	RPU3TR
BNP Paribas Rolling Put UK 3M 95 TR	GBP	TR	Long	Option	FTSE	BNPIRPU4	RPU4TR
BNP Paribas US Equity & Dynamic Volatility TR Index	USD	TR	Long	Future/Index	VIX/ S&P 500 INDEX	BNPIUEDV	UEDVTR
BNP Paribas World ex Japan Equity & Dynamic Volatility TR Index	USD	TR	Long	Future/Index	VIX	BNPIWEDV	WEDVTR
BNP Paribas Eurozone Variance Replication Dec 14 EUR TR	EUR	TR	Long	Option	S&P 500 INDEX	BNPIERZ4	Z41TR
BNP Paribas Protection B25 TR Index	EUR	TR	Long/Short	Options	Eurostoxx 50 Options	BNPIPB25	PB25TR
BNP Paribas US Volatility Dynamic Short controlled ETN	USD	TR	Short	Future	CBOE SPX Volatility Index	BNPIVMRI	VMRITR
BNP Paribas Volatility Mean Reversion US	USD	ER	Short	Future	CBOE SPX Volatility Index	BNPIVMRU	VMRUER
BNP Paribas Short Variance Crude Oil Daily VG2 Index	USD	ER	Short	Option + Future	NYMEX WTI	BNPIVT2D	VT2DER
BNP Paribas Short Variance Brent Daily VG2 Index	USD	ER	Short	Option + Future	ICE BRENT	BNPIVB2D	VB2DER
BNP Paribas Short Variance Gold 2 Daily VG2 Index	USD	ER	Short	Option + Future	COMEX GOLD	BNPIVG2D	BNPIVG2DER
BNP Paribas Commodity Short Variance CVXA ER Index	USD	ER	Short	Option + Future	BNPP Short Variance Crude Oil Daily VG2 Index, BNPP Short Variance Natural Gas Daily VG2 Index, BNPP Short Variance Gold 2 Daily VG2 Index, BNPP Short Variance Silver 2 Daily VG2 Index, BNPP Short Straddle Copper LME Daily VG2 Index, BNPP Short Straddle Aluminium LME Daily VG2 Index	BNPICVXA	CVXAER
BNP Paribas Commodity Strategy VRXA ER Index	USD	ER	Short	Option + Future	BNPP Short Variance RC Crude Oil Daily VG2 Index, BNPP Short Variance RC Brent Daily VG2 Index, BNPP Short Variance RC Natural Gas Daily VG2 Index, BNPP Short Variance RC Gold 2 Daily VG2 Index, BNPP Short Variance RC Silver 2 Daily VG2 Index, BNPP Short Straddle RC Copper LME Daily VG2 Index, BNPP Short Straddle RC Aluminium LME Daily VG2 Index	BNPIVRXA	VRXAER
BNP Paribas TIER EU 4% Index	EUR	TR	Short	Option	DJ Euro Stoxx 50 Index	BNPITIE1	TIE1TR
BNP Paribas TIER EU 6% Index	EUR	TR	Short	Option	DJ Euro Stoxx 50 Index	BNPITIEE	TIEETTR
BNP Paribas TIER US 4% Index	USD	TR	Short	Option	S&P 500 Index	BNPITIUI	TIUI1TR
BNP Paribas TIER Switzerland	CHF	TR	Short	Option	SMI Index	BNPITISI	TISI1TR

Index Name	Currency	Cash Kind	Long or Long/Short or Short	Instrument Kind	Reference Instrument	Bloomberg Code	Cinergy Code
2% Index							
BNP Paribas TIER T-Note Index	USD	ER	Short	Option	10-Year US Treasury Note Futures Contract	BNPITIT1	TIT1TR
BNP Paribas TIER Bund Index	EUR	ER	Short	Option	Euro-Bund Futures Contract	BNPITIB1	TIB1TR
BNP Paribas TIER UK 4% Index	GBP	TR	Short	Option	FTSE 100 Index	BNPITIG1	TIG1TR
BNP Paribas Stock Put Write US Index	USD	TR	Short	Option	US Single Stock	BNPISPUS	SPUSTR
BNP Paribas Stock Put Write EU Index	EUR	TR	Short	Option	EU Single Stock	BNPISPEU	SPEUTR
BNP Paribas Enhanced Covered EU TR Index	EUR	TR	Short	Option	DJ Euro Stoxx 50 Index	BNPIECEU	ECEUTR
BNP Paribas LEO EU ER Index	EUR	ER	Short	Option	DJ Euro Stoxx 50 Index	BNPILEOE	LEOEER
BNP Paribas Europe Rolling Call Delta 20 Index	EUR	ER	Short	Option	DJ Euro Stoxx 50 Index	BNPIERCD	ERCDER
BNP Paribas Rolling Call EU Delta Cap ER Index	EUR	ER	Short	Option	DJ Euro Stoxx 50 Index	BNPIRCEE	RCEEER
BNP Paribas Enhanced Buy Write EUR TR	EUR	TR	Short	Option	DJ Euro Stoxx 50 Index	BNPIBWEU	BWEUTR
BNP Paribas Covered Stock EU Top 10 Index	EUR	TR	Short	Option	Basket Top 10 EU Equity (SAN FP, FP FP, BNP FP, SAP GY, BAS GY, BAYN GY, SIE GY, ALV GY, DAI GY, UNA NA)	BNPICSET	CSETTR
BNP Paribas Buy-Write Danone Index	EUR	TR	Short	Option	BN FP Equity	BNPIBWB	BWBNT
BNP Paribas Enhanced Covered US TR Index	USD	TR	Short	Option	S&P 500 Index	BNPIECUS	ECUSTR
BNP Paribas LEO US ER Index	USD	ER	Short	Option	S&P 500 Index	BNPILEOU	LEOUER
BNP Paribas Rolling Call US Delta Cap ER Index	USD	ER	Short	Option	S&P 500 Index	BNPIRCUE	RCUEER
BNP Paribas Enhanced Buy Write US TR	USD	TR	Short	Option	S&P 500 Index	BNPIBWUS	BWUSTR
BNP Paribas Buy Write 103 US Total Return	USD	TR	Short	Option	S&P 500 Index	BNPIBWU6	BWU6TR
BNP Paribas Buy Write 103 JP Total Return	JPY	TR	Short	Option	Nikkei 225 Index	BNPIBWJ3	BWJ3TR
BNP Paribas Buy Write JP 98/104 TR Index	JPY	TR	Short	Option	Nikkei 225 Index	BNPIBWJP	BWJPTR
BNP Paribas LEO UK ER Index	GBP	ER	Short	Option	FTSE 100 Index	BNPILEOG	LEOGER
BNP Paribas UK Roll Call 103 Total Return	GBP	TR	Short	Option	FTSE 100 Index	BNPIRCU3	RCU3TR
BNP Paribas Enhanced Buy Write SW Total Return Index	CHF	TR	Short	Option	FTSE 100 Index	BNPIBWSW	BWSWTR
BNP Paribas South Africa Buy-Write TR Index	ZAR	TR	Short	Option	FTSE/JSE Top40 Index	BNPIBWSA	BWSATR
BNP Paribas TIER US Volatility Index	USD	TR	Short	Option	VIX Index	BNPITIV1	TIV1TR

#### 11. Buy Write Indices: Systematic Sales of Options

1	Index strategy, investment policy, objective of the Index	The objective of each Index is either (i) to generate long-term performance similar to the Reference Instrument with lower volatility by taking a long position on the Reference Instrument while selling call options on the Reference Instrument or a benchmark to generate regular income during bearish market phases (" <b>Buy Write</b> " strategy), either (ii) to generate income during bearish market phases by selling call options on the Reference Instrument (" <b>Alpha Buy Write</b> " strategy).
2	Description of the process of selecting components weighting factors	Index dependant
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a>



		as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Buy Write Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Instrument	Strategy	Bloomberg Code	Cinergy Code
BNP Paribas Buy Write 103 JP Total Return	EUR	TR	Nikkei 225 Index	Buy-Write	BNPIBWJ3	BWJ3TR
BNP Paribas Rules-Based Overwrite Index Always USD TR	EUR	TR	S&P 500 Index	Buy-Write	BNPIRBOA	RBOANTR
Buy-Write Europe EUR TR	EUR	TR	DJ Euro Stoxx 50 Index	Buy-Write	BNPIBWEU	BWEUTR
Buy-Write SX5E 103 EUR TR	EUR	TR	DJ Euro Stoxx 50 Index	Buy-Write	BNPIBWE4	BWE4TR
BNP PARIBAS Buy Write 103 US Total Return	EUR	TR	S&P 500 Index	Buy-Write	BNPIBWU6	BWU6TR
BNP PARIBAS ALPHA BUY WRITE 103 EUR TR INDEX	EUR	TR	DJ Euro Stoxx 50 Index	Alpha Buy-Write	BNPIAWE3	AWE3TR
BNP Paribas Alpha Buy-Write 103 USD TR Index	EUR	TR	S&P 500 Index	Alpha Buy-Write	BNPIAWU3	AWU3TR
Rule Based Overwriting Index USD TR	EUR	TR	S&P 500 Index	Buy-Write	BNPIRBOI	RBOINTR
BNP Paribas Rules-Based Overwrite Europe Index TR	EUR	TR	DJ Euro Stoxx 50 Index	Buy-Write	BNPIRBOE	RBOENTR
BNP Paribas Buy-Write 103 USD TR Index	EUR	TR	S&P 500 Index	Buy-Write	BNPIBW4U	BW4UTR
BNP Paribas Maximum Income Equity Europe Index TR	EUR	TR	DJ Euro Stoxx 50 Index	Buy-Write	BNPIMIET	MIETTR
PGDF Vente de calls US 102 98 ER	EUR	ER	S&P 500 Index	Buy-Write	BNPIPGUS	PGDFUSDER
PGDF Vente de calls Europe 102 98 ER	EUR	ER	DJ Euro Stoxx 50 Index	Buy-Write	BNPIPGEU	PGDFEURER
PGDF Vente de calls UK 102 98 TR	EUR	ER	FTSE100	Buy-Write	BNPIPGUK	PGDFGBPTR
BNP PARIBAS Dynamic Call Write Leverage 3 EUR TR Index	EUR	TR	DJ Euro Stoxx 50 Index	Buy-Write	BNPICWE3	CWE3TR
BNP Paribas Enhanced Buy Write SW Total Return Index TR	CHF	TR	SMI Index	Buy-Write	BNPIBWSW	BWSWTR
BNP Paribas UK Enhanced Income Buy Write Index	GBP	TR	FTSE100	Buy-Write	BNPIBWIK	IBWIKTR
BNP Paribas US Enhanced Income Buy Write Index	USD	TR	S&P 500 Index	Buy-Write	BNPIBWU7	IBWU7TR
BNP Paribas Option Vector HK Index	HKD	TR	HengSeng Index	Buy-Write	BNPIOVHK	OVHKTR
BNP Paribas UK Roll Call 103 Total Return TR	GBP	TR	FTSE100	Alpha Buy-Write	BNPIRCU3	RCU3TR
BNP Paribas Buy-Write Gold Index	USD	ER	COMEX GOLD	Buy-Write	BNPIBWGC	BNPIBWGCER

## 12. Alternative Strategy Indices

1	Index strategy, investment policy, objective of the Index	The objective of the Index is to deliver positive absolute return independently of market conditions.
2	Description of the process of selecting components weighting	Weighting is based on different Price based indicators

	factors	
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Alternative Strategy Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Strategy applied by Reference Instrument	Bloomberg Code	Cinergy Code
BNP Paribas Equity Extremum Reversion Risk Premia EUR Index	EUR	ER	Fixed Exposure Indices	BNPIEERP	IEERP
BNP Paribas Alternative Multi Style Index	EUR	ER	Risk Premia	BNPIAMSE	AMSE
BNP Paribas Alternative Multi Style Vol 2 Index	EUR	ER	Risk Premia	BNPIAMS2	AMS2
BNP Paribas Alternative Multi Style Vol 4 Index	EUR	ER	Risk Premia	BNPIAMS4	AMS4
BNP Paribas Alternative Multi Style Index (USD-Hedged)	USD	ER	Risk Premia	BNPIAMSU	AMSU
BNP Paribas Alternative Multi Style Vol 2 Index (USD-Hedged)	USD	ER	Risk Premia	BNPI2MSU	2MSU
BNP Paribas Alternative Multi Style Vol 4 Index (USD-Hedged)	USD	ER	Risk Premia	BNPI4MSU	4MSU
BNP Paribas RPAI XA Risk Premia Index	CHF	ER	Risk Premia	BNPIRPAI	RPAI
BNP Paribas Risk Premia Volatility Index	EUR	ER	Risk Premia	BNPIRPVO	BNPIRPVO
BNP Paribas Risk Premia Value Index	EUR	ER	Risk Premia	BNPIRPVA	BNPIRPVA
BNP Paribas Risk Premia Carry Index	EUR	ER	Risk Premia	BNPIRPCA	BNPIRPCA
BNP Paribas Risk Premia Momentum Index	EUR	ER	Risk Premia	BNPIRPMO	BNPIRPMO
BNP Paribas Risk Premia Multi Style Vol 4 Index	EUR	ER	Risk Premia	BNPIRPM4	RPM4
BNP Paribas Risk Premia Multi Style Vol 5 Index	EUR	ER	Risk Premia	BNPIRPM5	RPM5

### 13. Liberty Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide synthetic long or long/short exposure to the performance of a notional basket of Equity, Fund Shares, FX, Bond Rate, Money Market Rate, Index, Custom Index, Commodity, ETI or other Index Component Types. Each Series is maintained, calculated and rebalanced by the Index Calculation Agent following recommendations provided by an Index investment advisor (the " <b>Index Investment Advisor</b> ") in collaboration with the Index Sponsor in accordance with the Index Methodology
2	Description of the process of selecting components weighting factors	Index Investment Advisor in collaboration with the Index Sponsor in accordance with the Index Methodology
3	Methods and formulae of	The Index Methodology governing each Index shall be available on

	calculation	<a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	At the hand of the Index Investment Advisor
7	Type of index	All Indices listed in the table below are part of the Liberty Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Index Investment Advisor	Bloomberg Code	Cinergy Code
BNP Paribas FundQuest Select Core Asset Vol 6 EUR ER	EUR	ER	Fund Quest	BNPIFCA6	FCA6ER
BPI-Philam Asia Growth Index ER	PHP	ER	BPI-Philam	ENHABAGI	ENHABAGIER
BPI-Philam Philippine Growth Index ER	USD	ER	BPI-Philam	ENHABPGI	HABPGIER
Fortis Investment Sigma Best Selection World EU PR	EUR	PR	BNP Paribas IP	FISBSWEP	SWEPR
Sigma SRI World V10 Index EUR PR	EUR	PR	BNP Paribas IP	BIPSSW1P	SSWPR
Cardif Liberty Action EUR ER Index	EUR	ER	Cardif	BNPICDLA	CDLAER
Noble Funds Global Perspective Index	PLN	ER	Noble Funds	ENHANFGP	ENHANFGPER
EFG AM Optimized Income Strategy	USD	ER	Mutual Fund	ENHAEFIS	ENHAEFISER
BPI-Philam Asia Growth 2 Index ER	PHP	ER	BPI-Philam	ENHABAG2	ENHABAG2ER
Phil-China Equity Index USD	USD	ER	BPI-Philam	ENHAPHCE	ENHAPHCEER
Flexible Vol Max 4.5	EUR	TR	Lazard Frères Gestion	ENHALFVM	LFVMTR
Cardif Liberty Rolling Put EUR TR Index	EUR	TR	Cardif	BNPICDLP	CDLPTR
BNP Pariba AL-4U Index	EUR	TR	BNP Paribas Wealth Management	BNPIAL4U	AL4UTR
BNP Pariba AL-4U Index ER	EUR	ER	BNP Paribas Wealth Management	BNPIEV4U	EV4UER
Flexible Vol Max 7.5	EUR	TR	Lazard Frères Gestion	ENHALFV2	LFV2TR
Newcits Funds Index	EUR	ER	KBL European Private Bankers S.A.	ENHAKBLE	KBLEER
E-cerTiFicates Index	EUR	TR	None	BNPIECTF	ECTFTR
BNP Paribas Global Fund Composite Index	EUR	TR	Banca Popolare di Milano S.c.a.r.l.	BNPIGFCI	GFCITR
BNP New Technology TR	USD	TR	None	BNPINTTU	NTUTR
Flexible 5 Vol Max 3.5%	EUR	TR	Lazard Frères Gestion	ENHALFV5	LFV5

#### 14. Alternative Synthetic Tracker Indices

1	Index strategy, investment policy, objective of the Index	The objective of the Index is to provide synthetic exposure to the performance of a notional basket of various Index Component Types which are rebalanced on a regular basis with the objective of replicating a long or short position in the global hedge fund industry. The index aims at tracking this exposure by using a dynamic allocation between liquid major market indices. The Hedge Funds industry performance will be represented by a benchmark and the objective of the index will be to minimize the expected tracking error versus this benchmark
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2	Description of the process of selecting components weighting factors	The rebalancing will be conducted based on a "tracking" algorithm which aims at optimizing the long replication of the benchmark on an "ex ante" basis
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Monthly
7	Type of index	All Indices listed in the table below are part of the Alternative Synthetic Tracker Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Name	Currency	Cash Kind	Bloomberg Code	Cinergy Code
BNP Paribas Alternative Synthetic Tracker (ALSSTAR) Index TR	USD	TR	BNPIAS	ALSSTTR
BNP Paribas Alternative Synthetic Tracker (ALSTAR) Index TR	USD	TR	BNPIAT	ALSTTR

#### 15. Daily Weekly Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index (" <b>Dynamic</b> " or " <b>Fixed</b> ") is to monetize the mean reversion of returns of equity futures on a specific index (" <b>Reference Index</b> "). The process is synthetically systematically getting long realized volatility computed with daily returns and short realized volatility computed with weekly returns
2	Description of the process of selecting components weighting factors	Achieved through delta replication and subject to a maximum exposure of 200% and a minimum exposure of -200%.
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily

7	Type of index	All Indices listed in the table below are part of the Daily Weekly Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Fixed/ Dynamic	Bloomberg Code	Cinergy Code
BNP Paribas Mean Reverting Daily Weekly Europe Strategy (dynamic rescale) ER	EUR	ER	Euro Stoxx 50	Dynamic	BNPIDWED	WEDER
BNP Paribas Mean Reverting Daily Weekly Europe Strategy (fixed rescale) ER	EUR	ER	Euro Stoxx 50	Fixed	BNPIDWEF	WEFER
BNP Paribas Mean Reverting Daily Weekly Europe Strategy (fixed rescale) TR	EUR	ER	Euro Stoxx 50	Fixed	BNPIDTEF	TEFTR
BNP Paribas Mean Reverting Daily Weekly US Strategy (dynamic rescale) ER	USD	ER	S&P 500 Index	Dynamic	BNPIDWUD	WUDER

## 16. Commodity Indices

### 16.1 Oscillator Indices

1	Index strategy, investment policy, objective of the Index	The Oscillator indices are a family of commodity indices, each comprised of commodity mono-indices, whose objective is to provide exposure to a diversified basket of up to 19 commodities. A so-called " <b>momentum</b> " strategy is employed, which means that the strength of the price of each commodity compared to the market as a whole is taken into account when determining the daily weight of each commodity mono-index of which the index is comprised. Exposure to the commodity mono-indices is achieved by holding hedge positions in the futures contracts of which the mono-indices are comprised
2	Description of the process of selecting components weighting factors	The maximum weight of each commodity is 20%. In addition, the weighting of the indices in petroleum components (Brent and WTI crude oil, heating oil, unleaded gasoline and gasoil) is limited to 35% in aggregate
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Each Index is calculated, maintained, and published by the entity specified in the tables below (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Index Component	Volatility Control	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Oscillator Commodities ER Core Index	USD	ER	Basket of S&P GSCI Dynamic Roll Commodity Mono-Indices	NA	BNP Paribas	BNPMOCCE	MOCCEER
BNP Paribas Oscillator Commodities ER Index	USD	ER	Basket of Diapason Commodities Mono-Indices	11%	BNP Paribas	BNPIOSCE	OSCER
BNP Paribas Oscillator Commodities EUR Hedged ER Index	EUR	ER	Basket of Diapason Commodities Mono-Indices	11%	BNP Paribas	BNPIOSEE	OSEER

## 16.2 BNP Paribas Alpha Curve DR Index

The objective of the BNP Paribas Alpha Curve DR Index is to capture the outperformance of an investment in various S&P GSCI Dynamic Roll Indices versus an investment in the Dow Jones-UBS ex Precious Metals Commodity index by providing (i) long exposure to an enhanced index, comprised of a basket of the Dow Jones-UBS Soybean Oil Index and various S&P GSCI Dynamic Roll Indices and (ii) short exposure to the Dow Jones – UBS ex-Precious Metals Commodity Index. The target weights of the index components of the enhanced index are derived from the weight of each commodity comprised in the Dow Jones-UBS Commodity ex-Precious Metals Index and are adjusted on a yearly basis to maintain the target weighting. If, on any day on which the index is calculated, the weight of any such commodity is observed to be greater than 20% of the enhanced index or the weighting of the enhanced index to the petroleum sector (Brent and WTI crude oil, heating oil, unleaded gasoline and gasoil) or soybean sector (soybeans and soybean oil) is greater than 35% each, an additional reweighting of the enhanced index will be performed. This mechanism is designed to ensure that the index does not become too highly concentrated in any single commodity, or in the petroleum or soybean sectors. The number of index components in the enhanced index may be adjusted on a yearly basis, following any adjustment of the composition of the Dow Jones-UBS ex-Precious Metals Commodity Index.

1	Index strategy, investment policy, objective of the Index	The objective of the BNP Paribas Alpha Curve DR Index is to capture the outperformance of an investment in various S&P GSCI Dynamic Roll Indices versus an investment in the Dow Jones-UBS ex Precious Metals Commodity index by providing (i) long exposure to an enhanced index, comprised of a basket of the Dow Jones-UBS Soybean Oil Index and various S&P GSCI Dynamic Roll Indices and (ii) short exposure to the Dow Jones – UBS ex-Precious Metals Commodity Index
2	Description of the process of selecting components weighting factors	Weight of most commodities capped to 20% of the enhanced index or the weighting of the enhanced index to the petroleum sector (Brent and WTI crude oil, heating oil, unleaded gasoline and gasoil) or soybean sector (soybeans and soybean oil) capped to 35%
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Each Index is calculated, maintained, and published by the entity specified in the tables below (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Yearly
7	Type of index	All Indices listed in the table below are part of the Commodity Indices



		family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Alpha Curve DR Index	USD	CL	Dow Jones – UBS Commodity ex-Precious Metals Index	S&P	BNPIDRAC	DRACER
BNP Paribas DR Alpha ex-Agriculture and Livestock Index	USD	ER	Bloomberg Commodity Index excluding Agriculture, Livestock and Precious Metals	S&P	BNPIDRXA	DRXAER
BNP Paribas DR Alpha ex-Agriculture and Livestock Vol. 3% Index	USD	ER	BNP Paribas DR Alpha ex-Agriculture and Livestock Index	BNP Paribas	BNPIDRX3	DRX3ER
BNP Paribas DR Alpha ex-Agriculture and Livestock Vol. 3% EUR Index	EUR	ER	BNP Paribas DR Alpha ex-Agriculture and Livestock Index	BNP Paribas	BNPIDRXE	DRXE

### 16.3 BNP Paribas Alpha Backwardation Index

1	Index strategy, investment policy, objective of the Index	The objective of the BNP Paribas Alpha Backwardation Index is to capture the outperformance of the commodities whose prices are the mostbackwardated by comparison to the commodity market as a whole. The index generates returns by taking long positions in the most backwardated commodities and short positions in the least backwardated commodities comprised in the Dow Jones-UBS Commodity Index, investing in various Dow Jones-UBS Mono Indices to do so.
2	Description of the process of selecting components weighting factors	The index allocation is determined from (i) daily monitoring of the forward curve shape of each commodity comprised in the Dow Jones-UBS Commodity Index and (ii) the weight of each such commodity. The target weights of the index components are calculated on a daily basis and are based on the relative degree of backwardation or contango of such index component. The maximum weight of any such commodity is 20% of the index (whether long or short) and the weighting of the index to the petroleum sector (Brent and WTI crude oil, heating oil, unleaded gasoline and gasoil) or soybean sector (soybeans and soybean oil) may not exceed 35% each
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Each Index is calculated, maintained, and published by the entity specified in the tables below (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Alpha Backwardation Index	USD	CL	Dow Jones – UBS Commodity Index	S&P	BNPIF3AB	F3ABER
BNP Paribas Alpha Backwardation ex-Agriculture and Livestock Index	USD	ER	Bloomberg Commodity Index excluding Agriculture, Livestock and Precious Metals	BNP Paribas	BNPINBXA	NBXAER

#### 16.4 BNP Paribas Alpha Momentum Index

1	Index strategy, investment policy, objective of the Index	The objective of the BNP Paribas Alpha Momentum Index is to capture the outperformance of the recent best performing commodities comprised in the Dow Jones-UBS Commodity Index. Commodities which have underperformed the market are weighted negatively, while commodities which have outperformed the market are weighted positively, the weight of each commodity being proportional to its weight in the Dow Jones-UBS Commodity Index
2	Description of the process of selecting components weighting factors	The weights of each index component are calculated on a daily basis and the maximum weight of any such commodity is 20% of the index (whether long or short) and the weighting of the index to the petroleum sector (Brent and WTI crude oil, heating oil, unleaded gasoline and gasoil) or soybean sector (soybeans and soybean oil) may not exceed 35% each (whether long or short).
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Each Index is calculated, maintained, and published by the entity specified in the tables below (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Alpha Momentum Index	USD	CL	Dow Jones - UBS Commodity Index	S&P	BNPIF3AM	F3AMER
BNP Paribas Alpha Momentum ex-Agriculture and Livestock Index	USD	ER	Bloomberg Commodity Index excluding Agriculture, Livestock and Precious Metals	BNP Paribas	BNPINMXA	NMXAER

#### 16.5 BNP Paribas Strategy B52 Index

1	Index strategy, investment policy, objective of the Index	The objective of the BNP Paribas Strategy B52 Index is to provide exposure to the commodity market enhanced by i) optimised
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		investment in futures contracts determined according to the forward curve of the relevant commodity and ii) optimal allocation methodology based on price trends and forward curve shape observations
2	Description of the process of selecting components weighting factors	Weights of commodities that have recently outperformed the market or that present the most backwardated forward curves are increased, while weights of commodities that have recently underperformed the market or that present the least backwardated forward curves are decreased
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Each Index is calculated, maintained, and published by the entity specified in the tables below (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Strategy B52 Index ER	USD	CL	Bloomberg Commodity ex-Agriculture and Livestock Capped Index	BNP Paribas	BNPIB52P	B52P
BNP Paribas Strategy B52 Index 10% Index	USD	CL	BNP Paribas Strategy B52 Index ER	BNP Paribas	BNPIB52V	B52V
BNP Paribas Strategy B52 Index 10% Index EUR Hedged Daily	EUR	CL	BNP Paribas Strategy B52 Index ER	BNP Paribas	BNPIB52E	B52E

#### 16.6 BNP Paribas Enhanced Roll Index

1	Index strategy, investment policy, objective of the Index	The objective of the BNP Paribas Enhanced Roll Index is to provide broad and UCITS compliant exposure to the commodity market enhanced by optimised investment in futures contracts, determined according to the forward curve of the relevant commodity
2	Description of the process of selecting components weighting factors	The exposure to each commodity is achieved mainly through S&P GSCI Dynamic Roll indices, indices which are themselves invested in future contracts and which use a dynamic roll mechanism, taking into account the shape of the forward curve for the relevant commodity, to reduce the potentially negative effect of rolling futures contracts due to expire on the value of the index.
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.

4	Index Calculation Agent	Each Index is calculated, maintained, and published by the entity specified in the tables below (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Yearly
7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Strategy C51 Index	USD	CL	Bloomberg Commodity Index	Standard and Poor's	BNPIC51P	C51P2ER
BNP Paribas Strategy C52 10% Index	USD	ER	BNP Paribas Strategy C52 Index	BNP Paribas	BNPIC52V	C52VER
BNP Paribas Strategy C52 10% EUR Index	EUR	ER	BNP Paribas Strategy C52 Index	BNP Paribas	BNPIC5VE	C5VE
Optimized Roll Commodity Excess Return Index	USD	CL	Bloomberg Commodity Index	Standard and Poor's	EBCIWTE	EBCIWTE
Optimised Roll Commodity Total Return Index	USD	CL	Bloomberg Commodity Index Total Return	Standard and Poor's	EBCIWTT	EBCIWTT
BNP Paribas Energy & Metals Enhanced Roll ER Index	USD	ER	Bloomberg Commodity ex-Agriculture and Livestock Capped Index	Standard and Poor's	BNPIC52P	C52PER
BNP Paribas Energy & Metals Enhanced Roll TR Index	USD	ER	Bloomberg Commodity ex-Agriculture and Livestock Capped Index	Standard and Poor's	BNPIC52T	C52TTR
BNP Paribas Energy & Metals Enhanced Roll ER Index 10%	USD	ER	BNP Paribas Energy & Metals Enhanced Roll ER Index	BNP Paribas	BNPIEM10	EM10
BNP Paribas Energy & Metals Enhanced Roll ER Index 10% EUR Hedged Daily	EUR	ER	BNP Paribas Energy & Metals Enhanced Roll ER Index	BNP Paribas	BNPIEM1E	EM1E

## 16.7 BNP Paribas Backwardation Momentum DR Indices

1	Index strategy, investment policy, objective of the Index	The objective of the BNP Paribas Backwardation Momentum DR Alpha Index is to capture the return of a portfolio having a long position in an optimised basket of commodities and a short position in the DJUBS Commodity Index. The optimised basket is comprised of the same commodities as the DJUBS Commodity Index, but exposure to each commodity is made through investment in S&P Dynamic Roll Indices
2	Description of the process of selecting components weighting factors	The weight of each commodity in the optimised follow a momentum mechanism that increases the weights of commodity which have recently outperformed the market, and a backwardation mechanism that increases the weights of commodity presenting the most downward sloping forward curves
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.

4	Index Calculation Agent	Each Index is calculated, maintained, and published by the entity specified in the tables below (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Backwardation Momentum DR Alpha Index	USD	CL	Dow Jones – UBS Commodity Index	BNP Paribas	BNPIBMDA	BMDAER
BNP Paribas Backwardation Momentum DR Alpha 5% RUB Hedged Index	RUB	CL	BNP Paribas Backwardation Momentum DR Alpha Index	BNP Paribas	BNPIBA5R	IBA5ER

#### 16.8 BNP Paribas Short ER and TR Indices

1	Index strategy, investment policy, objective of the Index	The objective of the BNP Paribas Short ER and TR Indices is to provide short exposure to the associated Reference Index on either an excess or total return basis
2	Description of the process of selecting components weighting factors	The Indices contain an automatic rebalancing method, which rebalances each Index if the performance of the Reference Index, measured from the immediately preceding Automatic Index Rebalancing Date or the Index Start Date (where no Automatic Index Rebalancing Date has occurred), is greater than 65%.
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Each Index is calculated, maintained, and published by the entity specified in the tables below (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Systematic
7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Short Copper ER Index	USD	ER	S&P GSCI Copper Official Close Index	BNP Paribas	BNPISLPE	BNPISLPEER
BNP Paribas Short Crude Oil ER Index	USD	ER	S&P GSCI Crude Oil Official Close Index	BNP Paribas	BNPISCOE	BNPISCOEER

## 16.9 BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index

1	Index strategy, investment policy, objective of the Index	The objective of the BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index (the " <b>BNP Paribas Index</b> ") is to provide absolute return performance by employing a strategy that takes position on spreads of commodity future contracts.
2	Description of the process of selecting components weighting factors	The Index strategy invests in a portfolio of spread of commodity future contracts which systematically rolls on a daily basis a fifth of its notional value, selling spreads positions and buying new ones, to capture the difference in carry cost between future contracts. During the 5th to the 9th Index Calculation Day of each month the Index strategy is limited only to closing spreads positions avoiding the potentially negative effect on buying new future spread position during the roll period of the main commodity benchmarks.
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Each Index is calculated, maintained, and published by the entity specified in the tables below (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Yearly.
7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices.
8	Index Currency	As described in the table below.

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index	USD	ER	NA	BNP Paribas	BNPIPRXA	PRXA
BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index 2% Isovol	USD	ER	BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index	BNP Paribas	BNPIPRX2	PRX2
BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index 3% Isovol	USD	ER	BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index	BNP Paribas	BNPIPRX3	PRX3
BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index EUR Hedged Daily	EUR	ER	BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index EUR Hedged Daily	BNP Paribas	BNPIPRXE	PRXE
BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock	EUR	ER	BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and	BNP Paribas	BNPIPR2E	PR2E

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
Index 2% Isovol EUR Hedged Daily			Livestock Index EUR Hedged Daily			
BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index 3% Isovol EUR Hedged Daily	EUR	ER	BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index EUR Hedged Daily	BNP Paribas	BNPIPR3E	PR3E

### CONNECTED THIRD PARTY INDICES

In respect of any Index which is specified in the applicable Final Terms to be a Connected Third Party Index:

- (a) the complete rules governing such Index and information about its performance are freely accessible on the relevant Issuer's or the relevant index provider's website; and
- (b) the governing rules of such Index (including the methodology for the selection and re-balancing of the components of the Index, description of market disruption events and adjustment rules (if any)) are based on pre-determined and objective criteria.

Where:

**"Connected Third Party Index"** means any Index provided by a legal entity or natural person acting in association with, or on behalf of, the Issuer and is specified as such in the applicable Final Terms.

## FORM OF THE BNPP ENGLISH LAW GUARANTEE FOR UNSECURED SECURITIES

**THIS GUARANTEE** is made by way of deed on 7 June 2017 by BNP Paribas ("**BNPP**") in favour of the holders for the time being of the Securities (as defined below) (each a "**Holder**").

### WHEREAS:

BNP Paribas Issuance B.V. (formerly BNP Paribas Arbitrage Issuance B.V.) ("**BNPP B.V.**"), BNPP and BNP Paribas Fortis Funding have established a Note, Warrant and Certificate Programme (the "**Programme**") under which, *inter alia*, BNPP B.V. may from time to time issue, *inter alia*, unsecured warrants and certificates governed by English law (the "**Securities**") of any kind including, but not limited to, warrants and certificates relating to a specified index or a basket of indices, a specified share, preference share, GDR or ADR or a basket of shares, GDRs and/or ADRs, a specified interest in an exchange traded instrument or basket of interests in exchange traded instruments, a specified debt instrument or basket of debt instruments, a specified debt futures or debt options contract or basket of debt futures or debt options contracts, a specified commodity or commodity index or basket of commodities and/or commodity indices, a specified inflation index or basket of inflation indices, a specified currency or basket of currencies, a specified currency futures contract, a specified fund share or unit or basket of fund shares or units, a specified underlying interest rate or basket of underlying interest rates, Credit Securities, Open End Certificates or Open End Turbo Certificates. BNPP intends to guarantee the obligations of BNPP B.V. under the Securities in the manner and to the extent set out herein.

The Securities may be issued pursuant to (a) an Amended and Restated Agency Agreement (the "**Agency Agreement**", which expression includes the same as it may be amended, supplemented or restated from time to time) dated on or around 7 June 2017 between, *inter alia*, BNPP B.V., BNPP, BNP Paribas Securities Services, Luxembourg Branch as agent and BNP Paribas Arbitrage S.N.C. as calculation agent or (b) any other agency or analogous agreement entered into by BNPP and/or BNPP B.V. from time to time.

Terms defined in the Terms and Conditions of the Securities, as amended and/or supplemented by the applicable Final Terms (the "**Conditions**") and not otherwise defined in this Deed of Guarantee shall have the same meanings when used in this Guarantee.

Any reference in this Guarantee to any obligation or sums or amounts payable under or in respect of the Securities by BNPP B.V. shall be construed to refer to (if applicable) in the event of a bail-in of BNPP, such obligations, sums and/or amounts as reduced by reference to, and in the same proportion as, any such reduction or modification applied to liabilities of BNPP following the application of a bail-in of BNPP by any relevant authority (including in a situation where the Guarantee itself is not the subject of such bail-in).

In respect of all Securities issued on or after the date of this Guarantee, this Guarantee replaces the guarantee dated 10 June 2016 granted by the Guarantor in respect of Securities issued under the Programme.

**NOW THIS DEED WITNESSES** as follows:

### 1. Guarantee

Subject as provided below, BNPP unconditionally and irrevocably guarantees by way of deed poll to each Holder that, if for any reason BNPP B.V. does not pay any sum payable by it or perform any other obligation in respect of any Security on the date specified for such payment or performance BNPP will, in accordance with the Conditions pay that sum in the currency in which such payment is due in immediately available funds or, as the case may be, perform or procure the performance of the relevant obligation on the due date for such performance. In case of the failure of BNPP B.V. to satisfy such obligations as and when the same become due, BNPP hereby undertakes to make or cause to be made such payment or satisfy or cause to be satisfied such obligations as though BNPP were the principal obligor in respect of such obligation after a demand has

been made on BNPP pursuant to Clause 10 hereof PROVIDED THAT in the case of Securities other than Credit Securities (A) in the case of Physical Delivery Securities where BNPP B.V. has the obligation, pursuant to the terms and conditions of the relevant Security, to deliver the Entitlement, notwithstanding that BNPP B.V. had the right to vary settlement in respect of such Physical Delivery Securities in accordance with Security Condition 5.3 and exercised such right or failed to exercise such right, BNPP will have the right to elect not to deliver or procure delivery of the Entitlement to the Holders of such Physical Delivery Securities, but in lieu thereof, to make payment in respect of each such Physical Delivery Securities of an amount equal to the Guaranteed Cash Settlement Amount (as defined in the Conditions) and (B) in the case of Securities where the obligations of BNPP B.V. which fall to be satisfied by BNPP constitute the delivery of the Entitlement to the Holders, BNPP will as soon as practicable following BNPP B.V.'s failure to satisfy its obligations under such Securities deliver or procure delivery of such Entitlement using the method of delivery specified in the applicable Final Terms provided that, if in the opinion of BNPP, delivery of the Entitlement using such method is not practicable by reason of (i) a Settlement Disruption Event (as defined in Security Condition 5.1) or (ii) a Failure to Deliver due to Illiquidity (as defined in Security Condition 15.1) (if "Failure to Deliver due to Illiquidity" is specified as applying in the applicable Final Terms), in lieu of such delivery BNPP will make payment in respect of each such Security of, in the case of (i) above, the Guaranteed Cash Settlement Amount or, in the case of (ii) above, the Failure to Deliver Settlement Price (as defined in Security Condition 15.2). Any payment of the Guaranteed Cash Settlement Amount or the Failure to Deliver Settlement Price, as the case may be, in respect of a Security shall constitute a complete discharge of BNPP's obligations in respect of such Security.

## **2. BNPP as Principal Obligor**

As between BNPP and the Holder of each Security but without affecting BNPP B.V.'s obligations, BNPP will be liable under this Guarantee as if it were the sole principal obligor and not merely a surety. Accordingly, it will not be discharged, nor will its liability be affected, by anything which would not discharge it or affect its liability if it were the sole principal obligor (including (1) any time, indulgence, waiver or consent at any time given to BNPP B.V. or any other person, (2) any amendment to any of the Conditions or to any security or other guarantee or indemnity, (3) the making or absence of any demand on BNPP B.V. or any other person for payment or performance of any other obligation in respect of any Security, (4) the enforcement or absence of enforcement of any Security or of any security or other guarantee or indemnity, (5) the taking, existence or release of any such security, guarantee or indemnity, (6) the dissolution, amalgamation, reconstruction or reorganisation of BNPP B.V. or any other person, or (7) the illegality, invalidity or unenforceability of or any defect in any provision of the Conditions, the Agency Agreement or any of BNPP B.V.'s obligations under any of them).

## **3. BNPP's Obligations Continuing**

BNPP's obligations under this Guarantee are and will remain in full force and effect by way of continuing security until no sum remains payable and no other obligation remains to be performed under any Security (in the case where the relevant Security is a Warrant, subject to its exercise). Furthermore, those obligations of BNPP are additional to, and not instead of, any security or other guarantee or indemnity at any time existing in favour of any person, whether from BNPP or otherwise and may be enforced without first having recourse to BNPP B.V., any other person, any security or any other guarantee or indemnity. BNPP irrevocably waives all notices and demands of any kind.

## **4. Status**

This Guarantee is an unsubordinated and unsecured obligation of BNPP and will rank *pari passu* with all its other present and future unsubordinated and unsecured obligations subject to such exceptions as may from time to time be mandatory under French law.



**5. Exercise of BNPP's rights**

So long as any sum remains payable under the Securities or this Guarantee, BNPP shall not exercise or enforce any right, by reason of the performance of any of its obligations under this Guarantee, to be indemnified by BNPP B.V. or to take the benefit of or enforce any security or other guarantee or indemnity.

**6. Discharge by BNPP B.V.**

If any payment received by, or other obligation discharged to or to the order of, the Holder of any Security is, on the subsequent bankruptcy or insolvency of BNPP B.V., avoided under any laws relating to bankruptcy or insolvency, such payment or obligation will not be considered as having discharged or diminished the liability of BNPP and this Guarantee will continue to apply as if such payment or obligation had at all times remained due and owing by BNPP B.V.

**7. Indemnity**

As a separate and alternative stipulation, BNPP unconditionally and irrevocably agrees (1) that any sum or obligation which, although expressed to be payable or deliverable under the Securities, is for any reason (whether or not now existing and whether or not now known or becoming known to BNPP B.V., BNPP or any Holder) not recoverable from BNPP on the basis of a guarantee will nevertheless be recoverable from it as if it were the sole principal obligor and will be paid or performed by it in favour of the Holder on demand and (2) as a primary obligation to indemnify each Holder against any loss suffered by it as a result of any sum or obligation expressed to be payable or deliverable under the Securities not being paid or performed by the time, on the date and otherwise in the manner specified in the Securities or any obligation of BNPP B.V. under the Securities being or becoming void, voidable or unenforceable for any reason (whether or not now existing and whether or not known or becoming known to BNPP B.V., BNPP or any Holder), in the case of a payment obligation the amount of that loss being the amount expressed to be payable by BNPP B.V. in respect of the relevant sum. The second sentence of Clause 2 of this Guarantee shall apply *mutatis mutandis* to this Clause 7.

**8. Incorporation of Terms**

BNPP agrees that it shall comply with and be bound by those provisions contained in the Conditions which relate to it.

**9. Deposit of Guarantee**

This Guarantee shall be deposited with and held by BNP Paribas Securities Services, Luxembourg for the benefit of the Holders.

**10. Demand on BNPP**

Any demand hereunder shall be given in writing addressed to BNPP served at its office at CIB Legal, 3 rue Taitbout, 75009 Paris, France. A demand so made shall be deemed to have been duly made two Paris Business Days (as used herein, "**Paris Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for business in Paris) after the day it was served or if it was served on a day that was not a Paris Business Day or after 5.30 p.m. (Paris time) on any day, the demand shall be deemed to be duly made two Paris Business Days after the Paris Business Day immediately following such day.

**11. Governing law**

This Guarantee and any non-contractual obligations arising out of or in connection herewith shall be governed by and construed in accordance with English law.

**12. Jurisdiction**

The courts of England shall have the exclusive jurisdiction to settle any disputes which may, directly or indirectly, arise out of or in connection with this Guarantee including a dispute relating to any non-contractual obligations arising out of or in connection herewith.

**13. Service of Process**

BNPP agrees that service of process in England may be made on it at its London branch. Nothing in this Guarantee shall affect the right to serve process in any other manner permitted by law.

**14. Contracts (Rights of Third Parties) Act 1999**

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Guarantee, but this does not affect any right or remedy of any person which exists or is available from that Act.

Executed as a Deed

By BNP PARIBAS )  
acting by )  
acting under the authority )  
of that company )

**IN WITNESS** whereof this Guarantee has been executed and delivered by BNP Paribas as a deed on the date first above-mentioned.

Witness's signature:

Name:

Address:

## FORM OF THE BNPP ENGLISH LAW GUARANTEE FOR SECURED SECURITIES

**THIS GUARANTEE** is made by way of deed on 7 June 2017 by BNP Paribas ("**BNPP**") in favour of the holders for the time being of the Secured Securities (as defined below) (each a "**Holder**").

### WHEREAS:

BNP Paribas Issuance B.V. (formerly BNP Paribas Arbitrage Issuance B.V.) ("**BNPP B.V.**"), BNPP and BNP Paribas Fortis Funding has established a Note, Warrant and Certificate Programme (the "**Programme**") under which, *inter alia*, BNPP B.V. may from time to time issue, *inter alia*, secured warrants and certificates governed by English law (the "**Secured Securities**") of any kind including, but not limited to, warrants and certificates relating to a specified index or a basket of indices, a specified share, preference share, GDR or ADR or a basket of shares, GDRs and/or ADRs, a specified interest in an exchange traded instrument or basket of interests in exchange traded instruments, a specified debt instrument or basket of debt instruments, a specified debt futures or debt options contract or basket of debt futures or debt options contracts, a specified commodity or commodity index or basket of commodities and/or commodity indices, a specified inflation index or basket of inflation indices, a specified currency or basket of currencies, a specified currency futures contract, a specified fund share or unit or basket of fund shares or units, a specified underlying interest rate or basket of underlying interest rates, Credit Securities, Open End Certificates or Open End Turbo Certificates. In respect of Secured Securities (other than Notional Value Repack Securities), BNPP B.V. will grant a security interest over assets held in accounts with the Custodian in favour of the Collateral Agent on behalf of itself and the relevant Holders. In respect of Secured Securities which are Notional Value Repack Securities, BNPP B.V. will grant a security interest over assets held in accounts with the Custodian in favour of the Security Trustee on behalf of itself and the relevant Secured Parties and will grant a security interest over certain contractual rights in favour of the Security Trustee on behalf of itself and the relevant Secured Parties. BNPP intends to guarantee the obligations of BNPP B.V. under the Secured Securities in the manner and to the extent set out herein.

The Secured Securities may be issued pursuant to (a) an Amended and Restated Agency Agreement (the "**Agency Agreement**", which expression includes the same as it may be amended, supplemented or restated from time to time) dated on or around 7 June 2017 between, *inter alia*, BNPP B.V., BNPP, BNP Paribas Securities Services, Luxembourg Branch as agent and BNP Paribas Arbitrage S.N.C. as calculation agent or (b) any other agency or analogous agreement entered into by BNPP and/or BNPP B.V. from time to time.

Terms defined in the Additional Terms and Conditions for Secured Securities, as amended and/or supplemented by the applicable Final Terms (the "**Conditions**") and not otherwise defined in this Deed of Guarantee for Secured Securities shall have the same meanings when used in this Guarantee.

In respect of all Secured Securities issued on or after the date of this Guarantee, this Guarantee replaces the guarantee dated 10 June 2016 granted by the Guarantor in respect of Secured Securities issued under the Programme.

**NOW THIS DEED WITNESSES** as follows:

### 1. Guarantee

Subject as provided below, BNPP unconditionally and irrevocably guarantees by way of deed poll to each Holder that:

- (a) where the Secured Security is a Security to which one of Parts A, B or C of Annex 13 (*Additional Terms and Conditions for Secured Securities*) applies, if following the occurrence of an Enforcement Event and enforcement of the Pledge in respect of the relevant Collateral Pool, for any reason BNPP B.V. does not pay the Security Termination Amount in respect of a Secured Security in full, BNPP will, in accordance with the Conditions, pay an amount equal to the Shortfall in the currency in which such payment is due in immediately available funds. In case of the failure of BNPP B.V. to satisfy

such obligation as and when the same becomes due, BNPP hereby undertakes to make or cause to be made such payment as though BNPP were the principal obligor in respect of such obligation after a demand has been made on BNPP pursuant to Clause 10 hereof PROVIDED THAT BNPP shall not be obliged to make any payment under this Guarantee in respect of a Secured Security until the Collateral Assets in the Collateral Pool securing such Secured Security have been realised or liquidated in full in the manner set out in Collateral Security Condition 6.2. Payment of an amount equal to the Shortfall in respect of a Secured Security shall constitute a complete discharge of BNPP's obligations in respect of such Secured Security.

- (b) where the Secured Security is a Notional Value Repack Security, if following the occurrence of an Enforcement Event and enforcement of the Security Agreements in respect of the relevant Collateral Pool and series of Secured Securities, for any reason BNPP B.V. does not pay the Security Termination Amount and, or is not deemed to have paid the Calculated Security Termination Amount (where Physical Delivery of Collateral is applicable) in respect of a Secured Security in full, BNPP will, in accordance with the Conditions, pay an amount equal to the Shortfall in the currency in which such payment is due in immediately available funds. In case of the failure of BNPP B.V. to satisfy such obligation as and when the same becomes due, BNPP hereby undertakes to make or cause to be made such payment as though BNPP were the principal obligor in respect of such obligation after a demand has been made on BNPP pursuant to Clause 10 hereof PROVIDED THAT BNPP shall not be obliged to make any payment under this Deed of Guarantee in respect of a Secured Security until the Collateral Assets in the Collateral Pool securing such Secured Security and any other Charged Assets relating to such series of Secured Securities have been realised or liquidated in full in the manner set out in Collateral Security Condition 7.2 and/or Collateral Security Condition 7.5. Payment of an amount equal to the Shortfall in respect of a Secured Security shall constitute a complete discharge of BNPP's obligations in respect of such Secured Security.

For the purposes of this Guarantee:

**"Shortfall"** means the amount, following liquidation and realisation of the Collateral Assets in the relevant Collateral Pool, by which the amount paid (and/or deemed to be paid in the case of Notional Value Repack Securities to which Physical Delivery of Collateral applies) to the Holder of the relevant Secured Security by, or on behalf of the Issuer, is less than the Security Termination Amount payable in respect of such Secured Security.

## **2. BNPP as Principal Obligor**

As between BNPP and the Holder of each Secured Security but without affecting BNPP B.V.'s obligations, BNPP will be liable under this Guarantee as if it were the sole principal obligor and not merely a surety provided that (i) an Enforcement Event has occurred, (ii) the Collateral Assets in the Collateral Pool which secures the relevant Secured Security have been realised or liquidated in full in accordance with Collateral Security Condition 6.2 or where the Securities are Notional Value Repack Securities, the Collateral Assets in the Collateral Pool securing such Secured Security and any other Charged Assets relating to such series of Secured Securities have been realised or liquidated in full in the manner set out in Collateral Security Condition 7.2 and/or Collateral Security Condition 7.5, (iii) the Security Realised Amount is less than the Security Termination Amount or, where the Secured Security is a Notional Value Repack Security and Physical Delivery of Collateral is applicable, the Security Realised Amount is less than the sum of (A) the Security Termination Amount and (B) the Calculated Security Termination Amount and (iv) a demand has been made on the Guarantor pursuant to Clause 10 hereof. Accordingly, it will not be discharged, nor will its liability be affected, by anything which would not discharge it or affect its liability if it were the sole principal obligor (including (1) any time, indulgence, waiver or consent at any time given to BNPP B.V. or any other person, (2) any amendment to any of the Conditions or to any security or other guarantee or indemnity, (3) the

taking, existence or release of any such security, guarantee or indemnity, (4) the dissolution, amalgamation, reconstruction or reorganisation of BNPP B.V. or any other person, or (5) the illegality, invalidity or unenforceability of or any defect in any provision of the Conditions, the Agency Agreement or any of BNPP B.V.'s obligations under any of them).

**3. BNPP's Obligations Continuing**

BNPP's obligations under this Guarantee are and will remain in full force and effect by way of continuing security until no Shortfall remains payable under any Secured Security. Furthermore, those obligations of BNPP are additional to, and not instead of, any security or other guarantee or indemnity at any time existing in favour of any person, whether from BNPP or otherwise. BNPP irrevocably waives all notices and demands of any kind.

**4. Status**

This Guarantee is an unsubordinated and unsecured obligation of BNPP and will rank *pari passu* with all its other present and future unsubordinated and unsecured obligations subject to such exceptions as may from time to time be mandatory under French law.

**5. Exercise of BNPP's rights**

So long as any sum remains payable under the Secured Securities or this Guarantee, BNPP shall not exercise or enforce any right, by reason of the performance of any of its obligations under this Guarantee, to be indemnified by BNPP B.V..

**6. Discharge by BNPP B.V.**

If any payment received by, or other obligation discharged to or to the order of, the Holder of any Secured Security is, on the subsequent bankruptcy or insolvency of BNPP B.V., avoided under any laws relating to bankruptcy or insolvency, such payment will not be considered as having discharged or diminished the liability of BNPP in respect of any relevant Shortfall and this Guarantee will continue to apply in respect of any relevant Shortfall as if such payment had at all times remained due and owing by BNPP B.V.

**7. Indemnity**

As a separate and alternative stipulation, BNPP unconditionally and irrevocably agrees (1) that any sum or obligation which, although expressed to be payable or deliverable under the Secured Securities, is for any reason (whether or not now existing and whether or not now known or becoming known to BNPP B.V., BNPP or any Holder) not recoverable from BNPP on the basis of a guarantee will nevertheless be recoverable from it as if it were the sole principal obligor and will be paid or performed by it in favour of the Holder on demand provided (i) an Enforcement Event has occurred, (ii) the Collateral Assets in the Collateral Pool which secures the relevant Secured Security have been realised or liquidated in full in accordance with Collateral Security Condition 6.2 or where the Securities are Notional Value Repack Securities, the Collateral Assets in the Collateral Pool securing such Secured Security and any other Charged Assets relating to such series of Secured Securities have been realised or liquidated in full in the manner set out in Collateral Security Condition 7.2 and/or Collateral Security Condition 7.5, (iii) the Security Realised Amount is less than the Security Termination Amount or, where the Secured Security is a Notional Value Repack Security and Physical Delivery of Collateral is applicable, the Security Realised Amount is less than the sum of (A) the Security Termination Amount and (B) the Calculated Security Termination Amount and (iv) a demand has been made on the Guarantor pursuant to Clause 10 hereof and provided further that in no circumstances shall BNPP be obliged to pay an amount under this Guarantee which is greater than the relevant Shortfall. The second sentence of Clause 2 of this Guarantee shall apply *mutatis mutandis* to this Clause 7.

**8. Incorporation of Terms**

BNPP agrees that it shall comply with and be bound by those provisions contained in the Conditions which relate to it.

**9. Deposit of Guarantee**

This Guarantee shall be deposited with and held by BNP Paribas Securities Services, Luxembourg for the benefit of the Holders.

**10. Demand on BNPP**

Any demand hereunder shall be given in writing addressed to BNPP served at its office at CIB Legal, 3 rue Taitbout, 75009 Paris, France. A demand so made shall be deemed to have been duly made two Paris Business Days (as used herein, "**Paris Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for business in Paris) after the day it was served or if it was served on a day that was not a Paris Business Day or after 5.30 p.m. (Paris time) on any day, the demand shall be deemed to be duly made two Paris Business Days after the Paris Business Day immediately following such day.

**11. Governing law**

This Guarantee and any non-contractual obligations arising out of or in connection herewith shall be governed by and construed in accordance with English law.

**12. Jurisdiction**

The courts of England shall have the exclusive jurisdiction to settle any disputes which may, directly or indirectly, arise out of or in connection with this Guarantee including a dispute relating to any non-contractual obligations arising out of or in connection herewith.

**13. Service of Process**

BNPP agrees that service of process in England may be made on it at its London branch. Nothing in this Guarantee shall affect the right to serve process in any other manner permitted by law.

**14. Contracts (Rights of Third Parties) Act 1999**

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Guarantee, but this does not affect any right or remedy of any person which exists or is available from that Act.

**IN WITNESS** whereof this Guarantee has been executed and delivered by BNP Paribas as a deed on the date first above-mentioned.

Executed as a Deed

By BNP PARIBAS	)
acting by	)
acting under the authority	)
of that company	)

Witness's signature:

Name:

Address:



## FORM OF THE BNPP FRENCH LAW GUARANTEE FOR UNSECURED SECURITIES

**THIS GUARANTEE** is made by BNP Paribas ("**BNPP**") in favour of the holders for the time being of the Securities (as defined below) (each a "**Holder**").

### WHEREAS:

BNP Paribas Issuance B.V. (formerly BNP Paribas Arbitrage Issuance B.V.) ("**BNPP B.V.**"), BNPP and BNP Paribas Fortis Funding have established a Note, Warrant and Certificate Programme (the "**Programme**") under which, *inter alia*, BNPP B.V. may from time to time issue, *inter alia*, unsecured warrants and certificates governed by French law (the "**Securities**") of any kind including, but not limited to, warrants and certificates relating to a specified index or a basket of indices, a specified share, preference share, GDR or ADR or a basket of shares, GDRs and/or ADRs, a specified interest in an exchange traded instrument or basket of interests in exchange traded instruments, a specified debt instrument or basket of debt instruments, a specified debt futures or debt options contract or basket of debt futures or debt options contracts, a specified commodity or commodity index or basket of commodities and/or commodity indices, a specified inflation index or basket of inflation indices, a specified currency or basket of currencies, a specified currency futures contract, a specified fund share or unit or basket of fund shares or units, a specified underlying interest rate or basket of underlying interest rates, Credit Securities, Open End Certificates or Open End Turbo Certificates. BNPP intends to guarantee the obligations of BNPP B.V. under the Securities in the manner and to the extent set out herein.

The Securities may be issued pursuant to (a) an Amended and Restated Agency Agreement (the "**Agency Agreement**", which expression includes the same as it may be amended, supplemented or restated from time to time) dated on or around 7 June 2017 between, *inter alia*, BNPP B.V., BNPP, BNP Paribas Securities Services, Luxembourg Branch as agent and BNP Paribas Arbitrage S.N.C. as calculation agent or (b) any other agency or analogous agreement entered into by BNPP and/or BNPP B.V. from time to time.

Terms defined in the Terms and Conditions of the Securities, as amended and/or supplemented by the applicable Final Terms (the "**Conditions**") and not otherwise defined in this Guarantee shall have the same meanings when used in this Guarantee.

Any reference in this Guarantee to any obligation or sums or amounts payable under or in respect of the Securities by BNPP B.V. shall be construed to refer to (if applicable) in the event of a bail-in of BNPP, such obligations, sums and/or amounts as reduced by reference to, and in the same proportion as, any such reduction or modification applied to liabilities of BNPP following the application of a bail-in of BNPP by any relevant authority (including in a situation where the Guarantee itself is not the subject of such bail-in).

In respect of all Securities issued on or after the date of this Guarantee, this Guarantee replaces the guarantee dated 10 June 2016 granted by the Guarantor in respect of Securities issued under the Programme.

### 1. Guarantee

Subject as provided below, BNPP unconditionally and irrevocably guarantees to each Holder that, if for any reason BNPP B.V. does not pay any sum payable by it or perform any other obligation in respect of any Security on the date specified for such payment or performance BNPP will, in accordance with the Conditions pay that sum in the currency in which such payment is due in immediately available funds or, as the case may be, perform or procure the performance of the relevant obligation on the due date for such performance. In case of the failure of BNPP B.V. to satisfy such obligations as and when the same become due, BNPP hereby undertakes to make or cause to be made such payment or satisfy or cause to be satisfied such obligations as though BNPP were the principal obligor in respect of such obligation after a demand has been made on BNPP pursuant to Clause 8 hereof PROVIDED THAT in the case of Securities other than Credit Securities (A) in the

case of Physical Delivery Securities where BNPP B.V. has the obligation, pursuant to the terms and conditions of the relevant Security, to deliver the Entitlement, notwithstanding that BNPP B.V. had the right to vary settlement in respect of such Physical Delivery Securities in accordance with Security Condition 5.3) and exercised such right or failed to exercise such right, BNPP will have the right to elect not to deliver or procure delivery of the Entitlement to the Holders of such Physical Delivery Securities, but in lieu thereof, to make payment in respect of each such Physical Delivery Securities of an amount equal to the Guaranteed Cash Settlement Amount (as defined in the Conditions) and (B) in the case of Securities where the obligations of BNPP B.V. which fall to be satisfied by BNPP constitute the delivery of the Entitlement to the Holders, BNPP will as soon as practicable following BNPP B.V.'s failure to satisfy its obligations under such Securities deliver or procure delivery of such Entitlement using the method of delivery specified in the applicable Final Terms provided that, if in the opinion of BNPP, delivery of the Entitlement using such method is not practicable by reason of (i) a Settlement Disruption Event (as defined in Security Condition 5.1) or (ii) a Failure to Deliver due to Illiquidity (as defined in Security Condition 15.1) (if "Failure to Deliver due to Illiquidity" is specified as applying in the applicable Final Terms), in lieu of such delivery BNPP will make payment in respect of each such Security of, in the case of (i) above, the Guaranteed Cash Settlement Amount or, in the case of (ii) above, the Failure to Deliver Settlement Price (as defined in Security Condition 15.2). Any payment of the Guaranteed Cash Settlement Amount or the Failure to Deliver Settlement Price, as the case may be, in respect of a Security shall constitute a complete discharge of BNPP's obligations in respect of such Security.

## **2. Joint liability of BNPP and BNPP B.V.**

BNPP hereby acknowledges, absolutely and without right to claim the benefit of any legal circumstances amounting to an exemption from liability or a guarantor's defence, that it is bound by the obligations specified below. Accordingly, BNPP acknowledges that it will not be released from liability, nor will its liability be reduced, at any time, by extension or grace periods regarding payment or performance, any waiver or any consent granted to BNPP B.V. or to any other person, or by the failure of any execution proceedings brought against BNPP B.V. or any other person. Furthermore, BNPP acknowledges that (1) it will not be relieved of its obligations in the event that BNPP B.V.'s obligations become void for reasons relating to BNPP B.V.'s capacity, limitation of powers or lack thereof (including any lack of authority of persons having entered into contracts in the name, or on behalf, of BNPP B.V.), (2) its obligations under this Guarantee will remain valid and in full effect notwithstanding the dissolution, merger, takeover or reorganisation of BNPP B.V., as well as the opening of insolvency proceedings (*procédures collectives*), or any other proceedings similar to receivership or liquidation proceedings, in respect of BNPP B.V., (3) it will not avail itself of any subrogation rights in respect of the Holders' rights and that it will take no steps to enforce any rights or demands against BNPP B.V., so long as any amounts remain due; or any obligation remains unperformed, under the Securities, (4) its duties under this Guarantee will not be conditional on or subject to the validity or execution of any other security granted by BNPP B.V. or any other person to the Holders, or to the existence or creation of any security for the benefit of the Holders, and (5) neither the notification of, nor the serving of a formal request upon, BNPP B.V. or any other person is a prior condition to a payment or performance by BNPP under this Guarantee.

## **3. BNPP's continuing liability**

BNPP's obligations under this Guarantee are and will remain valid and in full effect so long as any amounts remain outstanding, or any obligation remains unperformed, under the Securities.

**4. Status**

This Guarantee is an unsubordinated and unsecured obligation of BNPP and will rank *pari passu* with all its other present and future unsubordinated and unsecured obligations subject to such exceptions as may from time to time be mandatory under French law.

**5. Exercise of BNPP's rights**

So long as any sum remains payable under the Securities or this Guarantee, BNPP shall not exercise or enforce any right, by reason of the performance of any of its obligations under this Guarantee, to be indemnified by BNPP B.V. or to take the benefit of or enforce any security or other guarantee or indemnity.

**6. BNPP B.V. repayment**

If a payment received by, or other obligation discharged to or to the order of, any Holder is declared null and void under any rule relating to insolvency proceedings (*procédures collectives*), or any other procedure similar to the receivership or liquidation of BNPP B.V., such payment or obligation will not reduce BNPP's obligations and this Guarantee will continue to apply as if such payment or obligation had always been due from BNPP B.V.

**7. Conditions binding**

BNPP declares (i) that it has full knowledge of the provisions of the Conditions, (ii) that it will comply with them and (iii) that it will be bound by them.

**8. Demand on BNPP**

Any demand hereunder shall be given in writing addressed to BNPP served at its office at CIB Legal, 3 Rue Taitbout, 75009 Paris, France. A demand so made shall be deemed to have been duly made two Paris Business Days (as used herein, "**Paris Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for business in Paris) after the day it was served or if it was served on a day that was not a Paris Business Day or after 5.30 p.m. (Paris time) on any day, the demand shall be deemed to be duly made two Paris Business Days after the Paris Business Day immediately following such day.

**9. Governing law and jurisdiction**

This Guarantee is governed by, and shall be construed in accordance with, French law and the competent courts within the jurisdiction of the Paris Court of Appeal (*Cour d'Appel de Paris*) will be competent to settle any litigation or proceedings relating to this Guarantee.

Executed in Paris in one original, on 7 June 2017.

BNP PARIBAS

By:

## FORM OF THE BNPP FRENCH LAW GUARANTEE FOR SECURED SECURITIES

**THIS GUARANTEE** is made by BNP Paribas ("**BNPP**") in favour of the holders for the time being of the Secured Securities (as defined below) (each a "**Holder**").

### WHEREAS:

BNP Paribas Issuance B.V. (formerly BNP Paribas Arbitrage Issuance B.V.) ("**BNPP B.V.**"), BNPP and BNP Paribas Fortis Funding have established a Note, Warrant and Certificate Programme (the "**Programme**") under which, *inter alia*, BNPP B.V. may from time to time issue, *inter alia*, secured warrants and certificates governed by French law (the "**Secured Securities**") of any kind including, but not limited to, Securities relating to a specified index or a basket of indices, a specified share, preference share, GDR or ADR or a basket of shares, GDRs and/or ADRs, a specified interest in an exchange traded instrument or basket of interests in exchange traded instruments, a specified debt instrument or basket of debt instruments, a specified debt futures or debt options contract or basket of debt futures or debt options contracts, a specified commodity or commodity index or basket of commodities and/or commodity indices, a specified inflation index or basket of inflation indices, a specified currency or basket of currencies, a specified currency futures contract, a specified fund share or unit or basket of fund shares or units, a specified underlying interest rate or basket of underlying interest rates, Credit Securities, Open End Certificates or Open End Turbo Certificates. In respect of Secured Securities (other than Notional Value Repack Securities), BNPP B.V. will grant a security interest over assets held in accounts with the Custodian in favour of the Collateral Agent on behalf of itself and the relevant Holders. In respect of Secured Securities which are Notional Value Repack Securities, BNPP B.V. will grant a security interest over assets held in accounts with the Custodian in favour of the French Collateral Security Agent on behalf of itself and the relevant Secured Parties and will grant a security interest over certain contractual rights in favour of the French Collateral Security Agent on behalf of itself and the relevant Secured Parties. BNPP intends to guarantee the obligations of BNPP B.V. under the Secured Securities in the manner and to the extent set out herein.

The Secured Securities may be issued pursuant to (a) an Amended and Restated Agency Agreement (the "**Agency Agreement**", which expression includes the same as it may be amended, supplemented or restated from time to time) dated on or around 7 June 2017 between, *inter alia*, BNPP B.V., BNPP, BNP Paribas Securities Services, Luxembourg Branch as agent and BNP Paribas Arbitrage S.N.C. as calculation agent or (b) any other agency or analogous agreement entered into by BNPP and/or BNPP B.V. from time to time.

Terms defined in the Terms and Conditions of the Secured Securities, as amended and/or supplemented by the applicable Final Terms (the "**Conditions**") and not otherwise defined in this Guarantee for Secured Securities shall have the same meanings when used in this Guarantee.

In respect of all Secured Securities issued on or after the date of this Guarantee, this Guarantee replaces the guarantee dated 10 June 2016 granted by the Guarantor in respect of Secured Securities issued under the Programme.

### 1. Guarantee

Subject as provided below, BNPP unconditionally and irrevocably guarantees to each Holder that:

- (a) where the Secured Security is a Security to which one of Parts A, B or C of Annex 13 (*Additional Terms and Conditions for Secured Securities*) applies, if following the occurrence of an Enforcement Event and enforcement of the Pledge in respect of the relevant Collateral Pool, for any reason BNPP B.V. does not pay the Security Termination Amount in respect of a Secured Security in full, BNPP will, in accordance with the Conditions, pay an amount equal to the Shortfall in the currency in which such payment is due in immediately available funds. In case of the failure of BNPP B.V. to satisfy such obligation as and when the same becomes due, BNPP hereby undertakes to make or cause to be made such payment as though BNPP were the principal obligor in respect of such obligation after a

demand has been made on BNPP pursuant to Clause 8 hereof PROVIDED THAT BNPP shall not be obliged to make any payment under this Guarantee in respect of a Secured Security until the Collateral Assets in the Collateral Pool securing such Secured Security have been realised or liquidated in full in the manner set out in Collateral Security Condition 6.2. Payment of an amount equal to the Shortfall in respect of a Secured Security shall constitute a complete discharge of BNPP's obligations in respect of such Secured Security.

- (b) where the Secured Security is a Notional Value Repack Security, if following the occurrence of an Enforcement Event and enforcement of the Security Agreements in respect of the relevant Collateral Pool and series of Secured Securities, for any reason BNPP B.V. does not pay the Security Termination Amount and, or is not deemed to have paid the Calculated Security Termination Amount (where Physical Delivery of Collateral is applicable) in respect of a Secured Security in full, BNPP will, in accordance with the Conditions, pay an amount equal to the Shortfall in the currency in which such payment is due in immediately available funds. In case of the failure of BNPP B.V. to satisfy such obligation as and when the same becomes due, BNPP hereby undertakes to make or cause to be made such payment as though BNPP were the principal obligor in respect of such obligation after a demand has been made on BNPP pursuant to Clause 8 hereof PROVIDED THAT BNPP shall not be obliged to make any payment under this Guarantee in respect of a Secured Security until the Collateral Assets in the Collateral Pool securing such Secured Security and any other Charged Assets relating to such series of Secured Securities have been realised or liquidated in full in the manner set out in Collateral Security Condition 7.2 and/or Collateral Security Condition 7.5. Payment of an amount equal to the Shortfall in respect of a Secured Security shall constitute a complete discharge of BNPP's obligations in respect of such Secured Security.

For the purposes of this Guarantee:

"**Shortfall**" means the amount, following liquidation and realisation of the Collateral Assets in the relevant Collateral Pool, by which the amount paid (and/or deemed to be paid in the case of Notional Value Repack Securities to which Physical Delivery of Collateral applies) to the Holder of the relevant Secured Security by, or on behalf of the Issuer, is less than the Security Termination Amount payable in respect of such Secured Security.

## **2. Joint liability of BNPP and BNPP B.V.**

BNPP hereby acknowledges, absolutely and without right to claim the benefit of any legal circumstances amounting to an exemption from liability or a guarantor's defence, that it is bound by the obligations specified below. Accordingly, BNPP acknowledges that it will not be released from liability, nor will its liability be reduced, at any time, by extension or grace periods regarding payment or performance, any waiver or any consent granted to BNPP B.V. or to any other person, or by the failure of any execution proceedings brought against BNPP B.V. or any other person provided that (i) an Enforcement Event has occurred, (ii) the Collateral Assets in the Collateral Pool which secures the relevant Secured Security have been realised or liquidated in full in accordance with Collateral Security Condition 6.2 or where the Securities are Notional Value Repack Securities, the Collateral Assets in the Collateral Pool securing such Secured Security and any other Charged Assets relating to such series of Secured Securities have been realised or liquidated in full in the manner set out in Collateral Security Condition 7.2 and/or Collateral Security Condition 7.5, (iii) the Security Realised Amount is less than the Security Termination Amount or, where the Secured Security is a Notional Value Repack Security and Physical Delivery of Collateral is applicable, the Security Realised Amount is less than the sum of (A) the Security Termination Amount and (B) the Calculated Security Termination Amount and (iv) a demand has been made on the Guarantor pursuant to Clause 8 hereof. Furthermore, BNPP acknowledges that (1) it will not be relieved of its obligations in the event that BNPP B.V.'s obligations become void for reasons relating to BNPP B.V.'s capacity, limitation of powers or lack thereof (including any

lack of authority of persons having entered into contracts in the name, or on behalf, of BNPP B.V.), (2) its obligations under this Guarantee will remain valid and in full effect notwithstanding the dissolution, merger, takeover or reorganisation of BNPP B.V., as well as the opening of insolvency proceedings (*procédures collectives*), or any other proceedings similar to receivership or liquidation proceedings, in respect of BNPP B.V., (3) it will not avail itself of any subrogation rights in respect of the Holders' rights and that it will take no steps to enforce any rights or demands against BNPP B.V., so long as any amounts remain due; or any obligation remains unperformed, under the Secured Securities, and (4) neither the notification of, nor the serving of a formal request upon, BNPP B.V. or any other person is a prior condition to a payment or performance by BNPP under this Guarantee.

**3. BNPP's continuing liability**

BNPP's obligations under this Guarantee are and will remain valid and in full effect until no Shortfall remains payable under any Secured Security.

**4. Status**

This Guarantee is an unsubordinated and unsecured obligation of BNPP and will rank *pari passu* with all its other present and future unsubordinated and unsecured obligations subject to such exceptions as may from time to time be mandatory under French law.

**5. Exercise of BNPP's rights**

So long as any sum remains payable under the Secured Securities or this Guarantee, BNPP shall not exercise or enforce any right, by reason of the performance of any of its obligations under this Guarantee, to be indemnified by BNPP B.V. or to take the benefit of or enforce any security or other guarantee or indemnity.

**6. BNPP B.V. repayment**

If a payment received by, or other obligation discharged to or to the order of, any Holder is declared null and void under any rule relating to insolvency proceedings (*procédures collectives*), or any other procedure similar to the receivership or liquidation of BNPP B.V., such payment or obligation will not reduce BNPP's obligations in respect of any relevant Shortfall and this Guarantee will continue to apply in respect of any relevant Shortfall as if such payment or obligation had always been due from BNPP B.V.

**7. Conditions binding**

BNPP declares (i) that it has full knowledge of the provisions of the Conditions, (ii) that it will comply with them and (iii) that it will be bound by them.

**8. Demand on BNPP**

Any demand hereunder shall be given in writing addressed to BNPP served at its office at CIB Legal, 3 Rue Taitbout, 75009 Paris, France. A demand so made shall be deemed to have been duly made two Paris Business Days (as used herein, "**Paris Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for business in Paris) after the day it was served or if it was served on a day that was not a Paris Business Day or after 5.30 p.m. (Paris time) on any day, the demand shall be deemed to be duly made two Paris Business Days after the Paris Business Day immediately following such day.

**9. Governing law and jurisdiction**

This Guarantee is governed by, and shall be construed in accordance with, French law and the competent courts within the jurisdiction of the Paris Court of Appeal (*Cour d'Appel de Paris*) will be competent to settle any litigation or proceedings relating to this Guarantee.

Executed in Paris in one original, on 7 June 2017.

BNP PARIBAS

By:



## FORM OF THE SECURITIES

English Law Securities which are issued and transferred through Clearstream, Luxembourg and/or Euroclear, Euroclear France SA ("**Euroclear France**"), Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores S.A., Unipersonal ("**Iberclear**"), Monte Titoli S.p.A ("**Monte Titoli**"), Clearstream Banking AG, Frankfurt am Main ("**Clearstream, Frankfurt**") and/or any other relevant clearing system ("**Clearing System Securities**") will be represented by a global security (each a "**Clearing System Global Security**"), which will be issued and deposited with a common depositary on behalf of Clearstream, Luxembourg, Euroclear, Iberclear, Monte Titoli and/or any other relevant clearing system or, as the case may be, Euroclear France or Clearstream, Frankfurt on the date of issue of the relevant Securities in accordance with the rules and regulations of the relevant clearing system. Registered English Law Warrants ("**Registered Warrants**") will be represented by a registered global warrant (a "**Registered Global Warrant**" or "**Registered Global Security**"), which will be issued and deposited with the Registrar. Clearing System Securities and Securities in definitive registered form will not be exchangeable for Registered Securities and Registered Securities will not be exchangeable for Clearing System Securities and Private Placement Definitive Securities. Each Clearing System Global Security and Registered Global Security are each referred to as a "**Global Security**". Swedish Dematerialised Securities (as defined herein) will be issued in registered, uncertificated and dematerialised book-entry form in accordance with the SFIA Act (as defined herein). Danish Dematerialised Securities (as defined herein) will be issued in registered, uncertificated and dematerialised book-entry form in accordance with the provisions of the Danish Securities Trading Act (as defined herein). Finnish Dematerialised Securities (as defined herein) will be issued in registered, uncertified and dematerialised book-entry form in accordance with the Finnish Act on the Book-Entry System and the Finnish Act on Book-Entry Accounts (as specified herein). Italian Dematerialised Securities (as defined herein) will be issued in registered, uncertificated and dematerialised book-entry form into Monte Titoli. Swiss Securities (as defined herein) may be issued as Swiss Materialised Securities (as defined herein) or as Swiss Dematerialised Securities (as defined herein). Swiss Materialised Securities will be represented by a global security. Swiss Dematerialised Securities will be issued in uncertified and dematerialised form. The terms and conditions of the Swiss Securities will be set forth in the applicable Final Terms. Except as described herein, no definitive Securities will be issued.

CREST Dematerialised Securities (as defined herein) will be issued and held in uncertificated form in accordance with the Uncertificated Securities Regulations 2001, including any modification or re-enactment thereof from time to time. Title to CREST Dematerialised Securities is recorded on the relevant Operator register of eligible debt securities. The Operator is Euroclear UK & Ireland Limited.

French Law Securities will be in dematerialised bearer form (*au porteur*) and will be inscribed (*inscription en compte*) in the books of Euroclear France which shall credit the accounts of the Holders. No physical document of title will be issued in respect of French Law Securities. French Law Securities have been accepted for clearance through Euroclear France, Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

In the event that the Final Terms specify that Securities are eligible for sale in the United States ("**U.S. Securities**"), (A) the Securities sold in the United States by BNPP to QIBs within the meaning of Rule 144A will be represented by one or more global Securities (each, a "**Rule 144A Global Security**") issued and deposited with (1) a custodian for, and registered in the name of a nominee of, The Depository Trust Company ("**DTC**") or (2) a common depositary on behalf of Clearstream, Luxembourg or Euroclear and/or any other relevant clearing system, (B) the Securities sold in the United States by BNPP to AIs will be issued and registered in definitive form (each, a "**Private Placement Definitive Security**") (C) the Securities sold in the United States by BNPP B.V. to QIBs who are QPs will be represented by a Rule 144A Global Security or in the form of Private Placement Definitive Securities, as may be indicated in any applicable U.S. wrapper to the Base Prospectus and (D) in any such case, Securities sold outside the United States to persons that are not (i) a "U.S. person" as defined in Regulation S under the United States Securities Act of 1933, as amended (the "**Securities Act**") ("**Regulation S**"); or (ii) a person other than a "Non-United States person" as defined in Rule 4.7 under the United States Commodity Exchange Act, as amended (the "**Commodity Exchange Act**"); or (iii) a



"U.S. person" as defined in the Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations promulgated by the Commodity Futures Trading Commission (the "**CFTC**"); or (iv) any other "U.S. person" as such term may be defined in Regulation S or in regulations or guidance adopted under the Commodity Exchange Act (each such person, a "**U.S. person**") may not be legally or beneficially owned at any time by any U.S. person and will be represented by a one or more global Securities (each, a "**Regulation S Global Security**") issued and deposited with a common depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant clearing system. In the event that the Final Terms does not specify that Securities are eligible for sale within the United States or to U.S. persons, the Securities offered and sold outside the United States to non-U.S. persons may not be legally or beneficially owned at any time by any U.S. person and will be represented by a Clearing System Global Security or a Registered Global Security, as the case may be.

As part of the initial distribution of the Securities of each Series which constitute Secured Securities, such Securities may not be purchased by any person except for persons that are not "U.S. persons" as defined in the U.S. Risk Retention Rules, or "**Risk Retention U.S. Persons**" except to the extent permitted under an exemption to the U.S. Risk Retention Rules as described under "Risk Factors" at page 217. "**U.S. Risk Retention Rules**" means Regulation RR (17 C.F.R Part 246) implementing the risk retention requirements of Section 15G of the U.S. Securities Exchange Act of 1934, as amended. Prospective investors should note that, although the definition of "U.S. person" in the U.S. Risk Retention Rules is very similar to the definition of "U.S. person" in Regulation S, there are substantial differences between the two definitions and that persons who are not "U.S. persons" under Regulation S may be "U.S. persons" under the U.S. Risk Retention Rules.

#### **Applicable Final Terms**

The Final Terms will contain the information items permitted under Article 22.4 of Commission Regulation (EC) No 809/2004 (the "**Prospectus Regulation**").

## DESCRIPTION OF BNPP B.V.

### 1. Name, registered office and date of incorporation

- (a) The legal and commercial name of the Issuer is BNP Paribas Issuance B.V. (formerly BNP Paribas Arbitrage Issuance B.V.)
- (b) BNPP B.V. is a limited liability company under Dutch law ("*besloten vennootschap met beperkte aansprakelijkheid*"), having its registered office at Herengracht 595, 1017 CE Amsterdam, The Netherlands. BNPP B.V. is incorporated in The Netherlands and registered with the Commercial Register in The Netherlands under number 33215278 (telephone number: +31 (0)88 738 0000).
- (c) BNPP B.V. was incorporated on 10 November 1989 with unlimited duration.
- (d) There have been no recent events particular to BNPP B.V. that are to a material extent relevant to the evaluation of BNPP B.V.'s solvency.

### 2. Business Overview

- (a) BNPP B.V.'s objects (as set out in Article 3 of its Articles of Association) are:
  - (i) to borrow, lend out and collect monies, including but not limited to the issue or the acquisition of debentures, debt instruments, financial instruments such as, among others, notes, warrants and certificates of any nature, with or without indexation based on, inter alia, shares, baskets of shares, stock exchange indices, currencies, commodities or futures on commodities, and to enter into related agreements;
  - (ii) to finance enterprises and companies;
  - (iii) to establish and to in any way participate in, manage and supervise enterprises and companies;
  - (iv) to offer advice and to render services to enterprises and companies with which the company forms a group of companies, and to third parties;
  - (v) to grant security, to bind the company and to encumber assets of the company for the benefit of enterprises and companies with which the company forms a group of companies, and of third parties;
  - (vi) to acquire, manage, exploit and dispose of registered property and asset value in general;
  - (vii) to trade in currencies, securities and asset value in general;
  - (viii) to exploit and trade in patents, trademark rights, licences, know-how and other industrial rights of ownership;
  - (ix) to engage in industrial, financial and commercial activities of any nature, andall other things as may be deemed incidental or conducive to the attainment of the above objects, in the broadest sense of the word.
- (b) BNPP B.V. competes with other issuers in the issuance of financial instruments and securities.
- (c) BNPP B.V. is a BNP Paribas Group issuance vehicle, specifically involved in the issuance of structured securities, which are developed, setup and sold to investors by other companies in the group. The securities are hedged by matching derivative contracts and/or collateral contracts with BNP Paribas Arbitrage S.N.C. or

BNP Paribas SA. Given the function of BNPP B.V. within the BNP Paribas Group and its asset and liabilities structure, the company generates a limited profit.

- (d) The securities issued by BNPP B.V. are sold to institutional clients, retail and high net worth individuals in Europe, Africa, Asia and Americas, either directly by BNP Paribas or through third party distributors.

### **3. Trend Information**

Due to BNPP B.V. dependence upon BNPP its trend information is the same as that for BNPP set out on page 128 of the BNPP 2016 Registration Document (in English).

### **4. Share capital**

The authorised share capital is composed of €225,000 divided into 225,000 shares of €1 each. The issued share capital is €45,379, divided in 45,379 shares of €1 each.

All shares are ordinary registered shares and fully paid up and no share certificates have been issued. 100 per cent. of the share capital is held by BNP Paribas.

### **5. Management**

#### **5.1 Management Board**

The management of BNPP B.V. is composed of a Management Board with one or several members appointed by the general meeting of shareholders.

On 31 January 2016, BNP Paribas appointed as sole member of the Management Board BNP Paribas Finance B.V., a company established and existing under the laws of The Netherlands, with its registered office at Herengracht 595, 1017 CE Amsterdam, the Netherlands. Edwin Herskovic, Erik Stroet, Han Sijlsing and Daniel Thielemans as Directors of BNP Paribas Finance B.V. have the power to take all necessary measures in relation to the issue of securities of BNPP B.V..

#### **5.2 Duties of the Management Board**

Within the limits of the constitutional documents, the Management Board is responsible for the management of BNPP B.V.

### **6. Accounts**

#### **6.1 Drawing up of annual accounts**

The financial year is the calendar year.

#### **6.2 Adoption of annual accounts**

The general meeting of shareholders adopts the annual accounts.

### **7. Material Investments**

BNPP B.V. has made no material investments since the date of its last published financial statements other than those related to the issue of securities and its Management Board has made no firm commitments on such material investments in the future.

### **8. Organisational Structure**

BNPP B.V. is a wholly owned subsidiary of BNP Paribas.

BNPP B.V. is dependent upon BNP Paribas in that BNP Paribas develops and markets the Securities, hedges its market, credit and liquidity risks and guarantees the obligations of BNPP B.V. for any issuance of its securities towards investors.

## 9. Administrative, Management, and Supervisory Bodies

### 9.1 Names, Business Addresses, Functions and Principal Outside Activities

The names, functions and principal activities performed by it outside BNPP B.V. which are significant with respect to the only director of BNPP B.V. are:

Name	Function	Principal Outside Activities
BNP Paribas Finance B.V.	Managing Director	The facilitation of secondary debt transactions and trading on behalf of the BNP Paribas Group

### 9.2 Administrative, Management, and Supervisory Bodies Conflicts of Interests

The above-mentioned member of the Management Board of BNPP B.V. does not have potential conflicts of interests, material to the issue of the Securities, between any duties to BNPP B.V. and its interests or other duties.

## 10. Board Practices

### 10.1 Audit Committee

BNPP B.V. does not itself have an audit committee. However, BNPP B.V. is part of the BNP Paribas Group which divides the audit responsibility to review the annual consolidated financial statements of BNP Paribas between a Financial Statement Committee and an Internal Control and Risks Committee.

### 10.2 Corporate Governance

The Dutch Corporate Governance Code of 8 December 2016 only applies to listed companies. The shares of BNPP B.V. are not listed and therefore the code does not apply. Accordingly, BNPP B.V. is not required to make any disclosure regarding compliance with the code.

## 11. Historical Financial Information Concerning BNPP B.V.'s Assets and Liabilities, Financial Position and Profits and Losses

### BALANCE SHEET IN SUMMARY (before appropriation of the net result)

	30.12.2016 (audited)	31.12.2015 (audited)
	EUR	EUR
<b>Financial fixed assets</b>	34,970,331,780	30,238,524,334
<b>Current assets</b>	13,349,942,128	12,804,050,994
<b>TOTAL ASSETS</b>	<b>48,320,273,908</b>	<b>43,042,575,328</b>

<b>Shareholder's equity</b>	488,299	464,992
<b>Long term liabilities</b>	34,970,331,780	30,238,524,334
<b>Current liabilities</b>	13,349,453,829	12,803,586,002
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>48,320,273,908</b>	<b>43,042,575,328</b>

**PROFIT AND LOSS ACCOUNT in summary**

	<b>2016 (audited)</b>	<b>2015 (audited)</b>
	EUR	EUR
Income including interest received	399,817	315,670
Costs, including interest paid and the tax charge	376,510	295,884
<b>Profit after taxation</b>	<b>23,307</b>	<b>19,786</b>

**CASH FLOW STATEMENT in summary**

	<b>2016 (audited)</b>	<b>2015 (audited)</b>
	EUR	EUR
Cash flow from operating activities	276,050	(576,441)
Cash flow from financing activities	0	0
<b>Increase/Decrease cash at banks</b>	<b>276,050</b>	<b>(576,441)</b>
<b>Cash at bank at December 31</b>	<b>352,062</b>	<b>76,012</b>

## **DESCRIPTION OF BNPP**

A description of BNPP can be found on pages 6 to 15 of the BNPP 2016 Registration Document (in English) which is incorporated by reference herein.

## BOOK-ENTRY CLEARANCE SYSTEMS

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of DTC, Clearstream, Luxembourg, Euroclear, Euroclear France, Clearstream, Frankfurt, Iberclear or Monte Titoli (together, the "**Clearing Systems**") currently in effect and subject as provided in the applicable Final Terms. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of BNPP B.V., BNPP nor any agent party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Securities held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

## BOOK-ENTRY SYSTEMS

### *DTC*

DTC has advised BNPP that it is a limited purpose trust company organised under the New York Banking Law, a banking organisation within the meaning of the New York Banking Law, a clearing corporation within the meaning of the New York Uniform Commercial Code and a clearing agency registered pursuant to Section 17A of the Exchange Act. DTC holds securities that its participants ("**Direct Participants**") deposit with DTC. DTC also facilitates the settlement among Direct Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerised book-entry changes in Direct Participants accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc. and the Financial Industry Regulatory Authority, Inc., Access to the DTC system is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("**Indirect Participants**").

Under the rules, regulations and procedures creating and affecting DTC and its operations (the "**Rules**"), DTC makes book-entry transfers of Securities represented by Rule 144A Global Securities held by a Custodian on behalf of DTC among Direct Participants on whose behalf it acts with respect to Securities accepted into DTC's book-entry settlement system ("**DTC Securities**") as described below and receives and transmits payments on DTC Securities. The Rules are on file with the Securities and Exchange Commission. Direct Participants and Indirect Participants with which beneficial owners of DTC Securities ("**Beneficial Owners**") have accounts with respect to the DTC Securities similarly are required to make book-entry transfers and receive and transmit such payments on behalf of their respective Beneficial Owners. Accordingly, although Beneficial Owners who hold DTC Securities through Direct Participants or Indirect Participants will not possess definitive Securities, the Rules, by virtue of the requirements described above, provide a mechanism by which Direct Participants will receive payments and will be able to transfer their interest in respect of the DTC Securities.

Purchases of DTC Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the DTC Securities on DTC's records. The ownership interest of each Beneficial Owner is in turn to be recorded on the Direct and Indirect Participant's records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct Participant or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the DTC Securities are to be accomplished by entries made on the books of Direct Participants or Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Securities, except in the event that use of the book-entry system for the DTC Securities is discontinued.

To facilitate subsequent transfers, all DTC Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or any other nominee as may be requested by an authorised representative of DTC. The deposit of DTC Securities with DTC and their registration in the name of Cede & Co. or any other nominee effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the DTC Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such DTC Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

#### ***Clearstream, Luxembourg, Euroclear and Clearstream, Frankfurt***

Clearstream, Luxembourg, Euroclear and Clearstream, Frankfurt each hold securities for their customers and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Clearstream, Luxembourg, Euroclear and Clearstream, Frankfurt provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream, Luxembourg, Euroclear and Clearstream, Frankfurt also deal with domestic securities markets in several countries through established depositary and custodial relationships. Clearstream, Luxembourg, Euroclear and Clearstream, Frankfurt have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Clearstream, Luxembourg, Euroclear and Clearstream, Frankfurt customers are worldwide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Clearstream, Luxembourg, Euroclear and Clearstream, Frankfurt is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

#### ***Euroclear France***

Euroclear France holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between its respective account holders. Euroclear France customers are worldwide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations.

#### ***Euroclear Finland***

Euroclear Finland Ltd. is a Finnish private limited liability company which manages account operations and clearing activities for the Finnish financial market. Euroclear Finland is an authorised central securities depositary pursuant to the Finnish Act on the Book-Entry System and Clearing (*Fin. laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* (749/2012)) and is acting under the supervision of the Finnish Financial Supervisory Authority (*Fin. Finanssivalvonta*). Euroclear Finland is owned by Euroclear SA/NV.

In order to effect entries in the Finnish book-entry securities system, a holder of securities or such holder's nominee must establish a book-entry account with Euroclear Finland or with a licensed account operator or register its securities through nominee registration. Each book-entry account must give the particulars of the account holder and other holders of rights to the book-entries in the account or of the manager of a nominee registration who manages the assets in the nominee-registered account, as well as information on the account operator for the account. The required information includes the type and number of the book-entry securities registered in the account as well as the rights and restrictions pertaining to the account and the book-entries. Any nominee-registered account must be identified when making entries in the account.



In conjunction with an issue of securities to be registered in the Euroclear Finland System (subject to certain exemptions), the relevant Issuer must engage a financial institution authorised by Euroclear Finland to operate as an issuer agent. The issuer agent is responsible for ensuring that the instructions received from the relevant Issuer with respect to the issue are duly registered. The issuer agent will be authorised to act on behalf of the relevant Issuer in dealings with Euroclear Finland.

### ***Euroclear Sweden***

Euroclear Sweden AB ("**Euroclear Sweden**") is a Swedish private limited liability company which manages account operations and clearing activities for the Swedish financial market. Euroclear Sweden is an authorised central securities depository pursuant to the Swedish Central Securities Depositories and Financial Instruments Accounts Act (*Sw. Lag (1998:1479) om centrala värdepappersförvarare och kontoföring av finansiella instrument*) and is acting under the supervision of the Swedish Financial Supervisory Authority (*Sw. Finansinspektionen*). Euroclear Sweden is owned by Euroclear S.A.

For each Security issued through Euroclear Sweden, a so called CSD register (*Sw. avstämningsregister*) (a "**CSD Register**") is created. The CSD Register will consist of a number of accounts, one for each holder of the Security in question. Such account is opened by the holder in person or by a nominee (*Sw. förvaltare*) on behalf of the holder. Title to a registered Security is transferred through registration in the system operated by Euroclear Sweden (the "**VPC System**").

In conjunction with an issue of securities to be registered in the VPC System, the relevant Issuer must engage a financial institution authorised by Euroclear Sweden to operate as an issuer agent. The issuer agent is responsible for ensuring that the instructions received from the relevant Issuer with respect to the issue are duly registered. The issuer agent will be authorised to act on behalf of the relevant Issuer in dealings with Euroclear Sweden.

### ***Iberclear***

"Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal" – whose commercial name is Iberclear – is the Spanish Central Securities Depository. Iberclear is set up as a company as stated in article 44 bis of the "Stock Market" Law 24/1988, 28 July (article introduced by Section Two of Article 1 of the Reform Measures of the Financial System Law 44/2002, 22 November). Article "44" bis of Law 24/1988 dated 28 July assigns Iberclear the right of all functions as indicated in the legal regulations containing its legal regime, in accordance with the following: (a) to maintain the Securities Registry by means of book-entry form of all eligible securities listed on the Spanish Stock Exchanges and the Public Debt Market as well as the securities listed on other secondary markets when requested by the appropriate governing bodies; (b) to manage the settlement, and when appropriate, the clearing of securities and money resulting from those trades settled on the Stock Exchanges, Public Debt Market and, when appropriate, the secondary markets; (c) to provide technical and operational services directly related to the Registering, Clearing and Settlement of securities which allows Iberclear to collaborate in, or co-ordinate with, other services related to Registering, Clearing and Settlement of securities as well as allowing it to participate in them; and (d) anything else that the Government entrusts to Iberclear provided permission has been first sought from the market supervisory bodies, be it the CNMV (*Comisión Nacional del Mercado de Valores*) or the Banco de España.

### ***Monte Titoli***

Monte Titoli S.p.A. has been authorised to operate the settlement services by the Bank of Italy, which directly managed a securities settlement procedure in the past.

The Centralised Administration Service is carried out by Monte Titoli as the sole Italian Central Securities Depository.

Any type of non-derivative financial instrument, whether Italian or foreign, can be admitted to Monte Titoli's system and registered by means of book entries without any physical movement and with high standards of security and efficiency.

Nearly all the centralised securities are booked in dematerialised form. Financial instruments that still exist in paper form are represented by global or jumbo certificates.

Both Italian and non-resident intermediaries, issuers, or clearing and settlement institutions may participate in Monte Titoli's Centralised Administration Service.

### ***Euroclear UK & Ireland Limited***

CREST Dematerialised Securities will be issued and held in registered, uncertificated form in accordance with the Uncertificated Securities Regulations 2001, including any modification or re-enactment thereof from time to time (the "**Uncertificated Securities Regulations**"), and as such are dematerialised securities and not constituted by any physical document of title. CREST Dematerialised Securities are participating securities for the purposes of the Uncertificated Securities Regulations. Title to the CREST Dematerialised Securities is recorded on the relevant operator register of eligible debt securities. The Operator is Euroclear UK & Ireland Limited.

The Euroclear Registrar on behalf of BNPP B.V. as Issuer will maintain a record of uncertificated eligible debt securities (the "**Record**") in relation to the CREST Dematerialised Securities and will procure that the Record is regularly updated to reflect the Operator register of eligible debt securities in accordance with the rules of the Operator. Subject to this requirement, (i) each person who is for the time being shown in the Record as the holder of a particular number of CREST Dematerialised Securities shall be treated by BNPP B.V. as Issuer, BNPP as Guarantor, the Euroclear Registrar and any other person as the holder of such number of CREST Dematerialised Securities for all purposes (and the expressions "**Holder**" and "**Holder of Securities**" and related expressions in the context of CREST Dematerialised Securities shall be construed accordingly), and (ii) none of BNPP B.V. as Issuer, BNPP as Guarantor, the Euroclear Registrar and any other person shall be liable in respect of any act or thing done or omitted to be done by it or on its behalf in reliance upon the assumption that the particulars entered in the Record which the Euroclear Registrar maintains are in accordance with particulars entered in the Operator register of eligible debt securities relating to the CREST Dematerialised Securities.

### **Book-entry Ownership of and Payments in respect of DTC Securities**

If a Rule 144A Global Security is to be registered in the name of a nominee of DTC, the relevant Issuer will apply to DTC in order to have the Securities represented by such Rule 144A Global Security accepted in its book-entry settlement system. Upon the issue of any Rule 144A Global Security to be held by a Custodian on behalf of DTC, DTC or the Custodian will credit, on its internal book-entry system, the respective nominal amounts of the individual beneficial interests represented by such Rule 144A Global Security to the accounts of the relevant Direct Participants. Ownership of beneficial interests in any such Rule 144A Global Security will be limited to Direct Participants or Indirect Participants, including the respective depositaries of Clearstream, Luxembourg, Euroclear and any other clearing systems as may be applicable. Ownership of beneficial interests in any such Rule 144A Global Security held by a Custodian on behalf of DTC will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee (with respect to the interests of Direct Participants) and the records of Direct Participants (with respect to interests of Indirect Participants).

Payments in U.S. dollars in respect of a Rule 144A Global Security registered in the name of DTC's nominee will be made to the New York Agent, to the order of such nominee as the registered Holder. In the case of any payment in a currency other than U.S. dollars, payment will be made to the New York Agent, on behalf of DTC's nominee and the New York Agent, will (in accordance with instructions received by it) remit all or a portion of such payment for credit directly to the beneficial Holders of interests in the Rule 144A Global Security held by a Custodian on behalf of DTC in the currency in which such payment was made and/or cause all or a portion of such payment to be converted into U.S.

dollars and credited to the applicable Direct Participants' account, provided that (a) the New York Agent, shall not be obligated to convert any currency whose conversion the New York Agent, in its sole discretion, deems impracticable, and (b) the New York Agent, has received notice by 11:00 a.m. two Business Days prior to the Settlement Date or Interest Payment Date, as the case may be, of the currency and the amount thereof to be converted into U.S. dollars. Conversion of a currency other than U.S. dollars into U.S. dollars will be carried out by the New York Agent, based on the actual exchange rate received in the currency conversion, which will occur at the New York Agent's, bid quotation for U.S. dollars at or prior to 11:00 a.m. on the Settlement Date or Interest Payment Date, as the case may be. The costs of conversion will be deducted from the amount of the payment credited to the applicable Participants' account. Except in the case of its gross negligence or wilful misconduct, the New York Agent, shall not be liable to any holder of Securities for any delay in conversion or for any amounts in excess of the amounts actually received by it upon conversion of a currency other than U.S. dollars into U.S. dollars, or for its inability to convert any such currency into U.S. dollars at a commercially reasonable rate or at any rate.

BNPP expects that payments by Direct Participants to Beneficial Owners of Securities will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers, and will be the responsibility of such Direct Participant and not the responsibility of DTC, any Warrant Agent, or BNPP. Payments on Securities to DTC is the responsibility of BNPP.

#### **Transfers of Securities Represented by Global Securities**

Transfers of any interests in Securities represented by a Global Security within DTC, Clearstream, Luxembourg, Euroclear, Euroclear France, and/or any other clearing systems as may be applicable will be effected in accordance with the customary rules and operating procedures of the relevant clearing system. The laws in some states within the United States require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer Securities represented by a Global Security to such persons may depend upon the ability to exchange such Securities for Securities in definitive form. Similarly, because DTC can only act on behalf of Direct Participants in the DTC system who in turn act on behalf of Indirect Participants, the ability of a person having an interest in Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC to pledge such Securities to persons or entities that do not participate in the DTC system or otherwise to take action in respect of such Securities may depend upon the ability to exchange such Securities for Securities in definitive form. The ability of any person having a beneficial interest in Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC to resell, pledge or otherwise transfer such Securities may be impaired if the proposed transferee of such Securities is not eligible to hold such Securities through a Direct Participant or Indirect Participant in the DTC system.

Subject to compliance with the transfer restrictions applicable to Rule 144A Global Securities described under "Notice to Purchasers and Holders of U.S. Securities and Transfer Restrictions", crossmarket transfers between DTC, on the one hand, and direct or indirect account holders of Clearstream, Luxembourg, Euroclear or any other clearing systems as may be applicable, on the other, will be effected by the relevant Clearing System in accordance with its rules and through action taken by the relevant Agent and any custodian with whom the relevant Global Securities have been deposited.

On or after the issue date for any Securities, transfers of such Securities between account holders in Clearstream, Luxembourg, Euroclear and/or any other clearing system as may be applicable and transfers of such Securities between Direct Participants in DTC will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment may apply to such transfers.

For cross-market transfers between account holders in Clearstream, Luxembourg or Euroclear, DTC and/or any other clearing system as may be applicable, participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Clearstream, Luxembourg or Euroclear, on the other, transfers of interests in the relevant Global Securities will be effected through the relevant Agent receiving instructions (and where appropriate certification) from the transferor and arranging for delivery of the

interests being transferred to the credit of the designated account for the transferee. In the case of cross-market transfers, settlement between Clearstream, Luxembourg, Euroclear and/or any other clearing systems as may be applicable accountholders and Direct Participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

DTC, Clearstream, Luxembourg, Euroclear and any other clearing system as may be applicable have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Global Securities among participants and accountholders of DTC, Clearstream, Luxembourg, Euroclear and any other clearing systems as may be applicable. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuers, any Agent will be responsible for any performance by DTC, Clearstream, Luxembourg, Euroclear or any other clearing system as may be applicable or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Securities represented by Global Securities or for maintaining, supervising or reviewing any records relating to such beneficial interests.

## **TAXATION**

The statements herein regarding taxation are based on the laws in force in the European Union, Belgium, Denmark, Finland, France, Italy, Luxembourg, Norway, Portugal, Spain, Sweden and the United States, as applicable, as of the date of this Base Prospectus and are subject to any changes in law. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Securities. Each prospective holder or beneficial owner of Securities should consult its tax adviser as to each of the Belgian, the Danish, the Finnish, the French, the Italian, the Luxembourg, the Norwegian, the Portuguese, the Spanish, the Swedish and the U.S. federal income tax consequences, as applicable, of any investment in or ownership and disposition of the Securities.

## BELGIAN TAXATION

### Taxation in Belgium

The following summary describes the principal Belgian withholding tax considerations with respect to the holding of the Warrants obtained by an investor following this offer in Belgium.

This information is of a general nature and does not purport to be a comprehensive description of all Belgian tax considerations that may be relevant to a decision to acquire, to hold and to dispose of the Warrants. In some cases, different rules may be applicable. Furthermore, the tax rules can be amended in the future, possibly with retroactive effect, and the interpretation of the tax rules may change.

This summary is based on the Belgian tax legislation, treaties, rules, and administrative interpretations and similar documentation, in force as of the date of the publication of this offer in Belgium, without prejudice to any amendments introduced at a later date, even if implemented with retroactive effect.

This summary does not describe the tax consequences for a holder of Warrants that are redeemable in exchange for, or convertible into shares, of the exercise, settlement or redemption of such Warrants and/or any tax consequences after the moment of exercise, settlement or redemption. In addition, it does not cover Warrants issued in accordance with the rules set out in the Act of 26 March 1999 on the Belgian Action Plan for Employment 1998 and other miscellaneous measures.

Each prospective holder of Warrants should consult a professional adviser with respect to the tax consequences of an investment in the Warrants, taking into account the influence of each regional, local or national law.

For Belgian tax purposes, if interest is in a foreign currency, it is converted into euro on the date of payment or attribution.

### 1. Warrants

On 25 January 2013, the Belgian tax authorities issued a circular letter on the Belgian tax treatment of income from structured securities characterised by an uncertain return on investment due to the variation of the coupons or the repayment terms at maturity, such as securities whose return is linked to the evolution of underlying products. According to the circular letter, the transfer of structured securities to a third party (other than the Issuer) results in taxation as interest income of the "pro rata interest", calculated on an unclear formulae. In addition, any amount paid in excess of the initial issue price upon redemption or repayment of the structured securities is considered as interest for Belgian tax purposes. It is highly debatable whether the circular letter is in line with Belgian tax legislation. Furthermore, it is unclear whether the Belgian tax authorities will seek to apply the principles set out in the circular letter to the structured Warrants (the "**Structured Securities**").

It is assumed that any gains realised upon redemption or repayment by the Issuer will indeed be viewed as interest by the Belgian tax authorities (and any such gains are therefore referred to as "interest" for the purposes of the following paragraphs), but that the effective taxation of the "pro rata interest" in case of sale to a third party (ie other than the Issuer) would not be possible, on the basis that it is currently impossible to determine the amount of the "pro rata interest".

#### 1.1 Repayment or redemption by the Issuer

##### (i) Belgian resident individual investors

Individuals who are holders of Structured Securities and who are Belgian residents for tax purposes, i.e. who are subject to Belgian personal income tax ("*Personenbelasting/Impôt des personnes physiques*"), are subject

to the following tax treatment with respect to the Structured Securities in Belgium. Other rules may be applicable in special situations, in particular when individuals resident in Belgium acquire the Structured Securities for professional purposes or when their transactions with respect to the Structured Securities fall outside the scope of the normal management of their own private estate.

Payments of interest (as defined by Belgian tax laws) on the Structured Securities made through a paying agent in Belgium will in principle be subject to a 30 per cent. withholding tax in Belgium (calculated on the interest received after deduction of any non-Belgian withholding taxes). The Belgian withholding tax constitutes the final income tax for Belgian resident individuals. This means that they do not have to declare the interest obtained on the Structured Securities in their personal income tax return, provided Belgian withholding tax was levied on these interest payments

Nevertheless, Belgian resident individuals may elect to declare interest on the Structured Securities in their personal income tax return. Also, if the interest is paid outside Belgium without the intervention of a Belgian paying agent, the interest received (after deduction of any non-Belgian withholding tax) must be declared in the personal income tax return. Interest income which is declared this way will in principle be taxed at a flat rate of 30 per cent. (or at the relevant progressive personal income tax rate(s), taking into account the taxpayer's other declared income, whichever is more beneficial) and no local surcharges will be due. The Belgian withholding tax levied may be credited against the income tax liability.

(ii) Belgian resident corporate investors

Corporations that are Belgian residents for tax purposes, i.e. that are subject to Belgian Corporate Income Tax ("*Vennootschapsbelasting/Impôt des sociétés*") are subject to the following tax treatment with respect to the Structured Securities in Belgium.

Interest received by Belgian corporate investors on the Structured Securities will be subject to Belgian corporate income tax at the applicable corporate income tax rates (the ordinary corporate income tax rate is 33.99 per cent, but lower rates apply to small income companies under certain conditions). If the income has been subject to a foreign withholding tax, a foreign tax credit will be applied on the Belgian tax due. For interest income, the foreign tax credit is generally equal to a fraction where the numerator is equal to the foreign tax and the denominator is equal to 100 minus the rate of the foreign tax, up to a maximum of 15/85 of the net amount received (subject to some further limitations). Capital losses are in principle tax deductible.

Interest payments on the Structured Securities made through a paying agent in Belgium are in principle subject to a 30 per cent. withholding tax, but can under certain circumstances be exempt from Belgian withholding tax, provided that certain formalities are complied with. For zero or capitalisation bonds, an exemption will only apply if the Belgian company and the Issuer are associated companies within the meaning of article 105, 6° of the Royal Decree of 27 August 1993 implementing the Belgian Income Tax Code of 1992. The withholding tax that has been levied is creditable in accordance with the applicable legal provisions.

(iii) Other Belgian legal entities

Non-corporate legal entities that are Belgian residents for tax purposes, i.e. that are subject to Belgian tax on legal entities ("*Rechtspersonenbelasting/impôt des personnes morales*") are subject to the following tax treatment with respect to the Structured Securities in Belgium.

Payments of interest on the Structured Securities made through a paying agent in Belgium will in principle be subject to a 30 per cent. withholding tax in Belgium and no further tax on legal entities will be due on the interest.



However, if the interest is paid outside Belgium without the intervention of a Belgian paying agent and without the deduction of Belgian withholding tax, the legal entity itself is responsible for the deduction and payment of the 30 per cent. withholding tax.

## **1.2 Sale to a third party**

No Belgian withholding tax should apply to the sale of the Structured Securities.

### **(i) Belgian resident individual investors**

Individuals who are holders of Structured Securities and who are Belgian residents for tax purposes, i.e. who are subject to Belgian personal income tax ("*Personenbelasting/Impôt des personnes physiques*"), are currently not liable to Belgian income tax on the capital gains (if any) realised upon disposal of the Structured Securities to a third party, provided that the Structured Securities have not been used for their professional activity and that the capital gain is realised within the framework of the normal management of their private estate. Capital losses realised upon disposal of the Structured Securities held as a non-professional investment are in principle not tax deductible.

However, Belgian resident individuals may be subject to a 33 per cent. Belgian income tax (plus local surcharges) if the capital gains on the Structured Securities are deemed to be speculative or outside the scope of the normal management of the individuals' private estate. Capital losses arising from such transactions are not tax deductible.

Capital gains realised upon transfer of Structured Securities held for professional purposes are taxable at the ordinary progressive income tax rates (plus local surcharges), except for Structured Securities held for more than five years, which are taxable at a separate rate of 16.5 per cent. (plus local surcharges). Capital losses on the Structured Securities incurred by Belgian resident individuals holding the Structured Securities for professional purposes are in principle tax deductible.

### **(ii) Belgian resident corporate investors**

Corporations that are Belgian residents for tax purposes, i.e. that are subject to Belgian Corporate Income Tax ("*Vennootschapsbelasting/Impôt des sociétés*"), are liable to Belgian corporate income tax on the capital gains (if any) realised upon disposal of the Structured Securities to a third party, irrespective of whether such Structured Securities relate to shares or other assets or indices. The current standard corporate income tax rate in Belgium is 33.99 per cent.

Capital losses realised upon disposal of the Structured Securities are in principle tax deductible.

### **(iii) Other Belgian legal entities**

Non-corporate legal entities that are Belgian residents for tax purposes, i.e. that are subject to Belgian tax on legal entities ("*Rechtspersonenbelasting/impôt des personnes morales*"), are currently not liable to Belgian income tax on capital gains (if any) realised upon disposal of the Structured Securities to a third party.

Capital losses realised upon disposal of the Structured Securities are in principle not tax deductible.

## **2. Tax on stock exchange transactions**

The sale and acquisition of the Warrants on the secondary market is subject to the Belgian tax on stock exchange transactions ("*Taxe sur les opérations de bourse/Taks op de beursverrichtingen*") if (i) executed in Belgium through a professional intermediary, or (ii) deemed to be executed in Belgium, which is the case if the order is directly or indirectly made to a professional intermediary established outside of Belgium, either by



private individuals with habitual residence in Belgium, or legal entities for the account of their seat or establishment in Belgium.

The tax is generally due at a rate of 0.27% for Warrants, on each sale and acquisition separately, with a maximum of EUR 1,600 per taxable transaction. A separate tax is due by each party to the transaction, and both taxes are collected by the professional intermediary. However, if the intermediary is established outside of Belgium, the tax will in principle be due by the ordering private individual or legal entity, unless that individual or entity can demonstrate that the tax has already been paid. Professional intermediaries established outside of Belgium can, subject to certain conditions and formalities, appoint a Belgian representative for tax purposes, which will be liable for the tax on stock exchange transactions in respect of the transactions executed through the professional intermediary.

Exemptions apply for non-residents and certain Belgian institutional investors acting for their own account provided that certain formalities are respected. Transactions on the primary market are not subject to the tax on stock exchange transactions.

As stated below, the European Commission has published a draft Directive for a FTT. The draft directive currently stipulates that once the FTT enters into force, the participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT (or VAT as provided in the Council Directive 2006/112/EC of November 28, 2006 on the common system of value added tax). For Belgium, the tax on stock exchange transactions should thus be abolished once the FTT enters into force. The proposal is still subject to negotiation between the participating Member States and therefore may be changed at any time.

## DANISH TAXATION

*The following is a summary description of the taxation in Denmark of Warrants according to Danish tax laws in force as of the date of this Base Prospectus and is subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to invest, hold or dispose of Warrants, and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as professional dealers in securities) may be subject to special rules. The following does not include any description of any taxation related to the FATCA regulation. Potential investors are under all circumstances strongly recommended to contact their own tax advisor to clarify the individual consequences of their investment, holding and disposal of Warrants.*

Warrants can either be taxed separately as a financial instrument liable to taxation in accordance with the Danish Capital and Exchange Gains Act (in Danish "*kursgevinstloven*") Consolidation Act No. 113 of 18 September 2013 (as amended) (the "**Danish Capital and Exchange Gains Act**"), or as a gain or loss on the underlying asset.

In order not to be taxed separately, a number of conditions must be met, including in particular, that the parties to the warrant instrument remain the same and that the underlying asset will be delivered (as opposed to cash settlement). If taxation takes place as taxation of the underlying asset, the nature of the taxation will depend on the type of asset in question.

If the underlying asset is a debt claim, taxation of such Warrants will take place in accordance with the Danish Capital and Exchange Gains Act.

If the underlying financial asset is of a kind that will lead to taxation under the Danish Act on Capital Gains Tax on Shares (in Danish: "*Aktieavancebeskatningsloven*") Consolidation Act No. 1082 of 8 September 2015 (as amended), the holder of Warrants will be deemed a shareholder for Danish tax purpose and be taxed in the following manner;

### *Resident personal holders of Warrants*

Sale, redemption or other disposals of Warrants covered by the Danish Act on Capital Gains Tax on Shares are considered a realisation for Danish tax purposes. A capital gain or loss obtained by a Danish resident personal shareholder through a disposal of Warrants is taxable or tax deductible in Denmark, respectively. The same applies to non-resident shareholders with a permanent establishment in Denmark to which the shares are connected.

Capital gains will be subject to taxation as share income at a rate of 27 per cent. on annual share income up to DKK 50,600 and 42 per cent. of share income exceeding DKK 50,600. The stated amount limits are applicable for 2016. The amount limits are doubled for married couples co-habiting at the end of the income year. Losses upon the realisation of Warrants can be deducted.

### *Resident corporate holders of Warrants*

Danish resident holders of shares, including non-resident shareholders with a permanent establishment in Denmark to which the shares are connected are subject to tax on dividends. Companies holding at least 10 per cent of a Danish company (subsidiary shares) are as a general rule, however, not liable to pay tax on dividends irrespective of the period of ownership. The corporate tax rate is 22 per cent. in 2016.

### *Non-Resident holders of Warrants*

For non-tax residents, capital gains on shareholdings remain tax free irrespective of ownership percentage and ownership period. Generally, corporate shareholders are also exempt from tax on dividends if holding 10 per cent or more in a Danish company, however anti-avoidance exceptions apply. Dividends paid to corporate shareholders holding

less than 10 per cent or dividends paid to individuals are subject to Danish withholding tax at a rate of up to 27 per cent.. The corporate withholding taxation is expected to be reduced to 22 per cent. with effect from 1 July 2016

## FINNISH TAXATION

*The following is a summary of certain tax consequences arising from Finnish tax legislation as in effect on the date of this Base Prospectus. Any subsequent changes in Finnish tax legislation or in the interpretation thereof may have an effect on the summary, also retroactively. The purpose of the summary is not to present completely all possible tax consequences arising from Finnish tax legislation. Especially, it should be noted that there is no special tax legislation and only limited case law regarding warrants in Finland. Therefore, the following summary is based on an interpretation of general provisions of tax law. The summary is not exhaustive and potential purchasers who have any doubt or concern regarding their tax and/or legal position on purchase, ownership, transfer or exercise of any Securities should consult their own independent, professionally qualified tax and/or legal advisers as to the tax consequences of the purchase, ownership, transfer, exercise and lapse of Securities.*

### General

Finnish residents and non-residents are treated differently for tax purposes in Finland. Finnish residents are subject to taxation in Finland on their worldwide income. Non-residents who are not generally liable for tax in Finland are subject to taxation in Finland solely in respect of their Finnish source income. Generally, an individual is deemed to be Finnish resident if such an individual continuously resides in Finland for more than six months or if the permanent home and dwelling of such an individual is in Finland. A citizen of Finland who has moved abroad is regarded as a resident of Finland for Finnish tax purposes until three years has passed after the end of the year of emigration, even though the individual does not reside in Finland over six months or the permanent home and dwelling are not located in Finland, if such an individual cannot prove that he/she has not had any essential relationship to Finland in the tax year in question. Entities established under the laws of Finland are regarded as residents of Finland in accordance with domestic tax law. Double tax treaties may restrict the authority of the Finnish state to tax foreign source income of an individual or entity deemed as resident of Finland pursuant to Finnish domestic tax law.

### Income Tax

#### *Resident individuals and estates*

Interest and any similar income (e.g. interest compensation (in Finnish "jälkimarkkinahyvitys") and index compensation (in Finnish "indekshyvitys"), received as well as any gain arising from the transfer or exercise of the Securities is likely taxed as capital income, subject to capital income tax, of an individual and estate resident in Finland for tax purposes, unless the Security is considered to belong to the business activity of an individual or an estate.

Payments under the Securities attributable to the business activity of an individual or an estate for Finnish tax purposes are included in the total business income of such individual or estate. The business income will be divided according to the Finnish Income Tax Act for taxation at a progressive rate between capital income (see below) and earned income.

If the Securities are regarded as warrants for Finnish tax purposes, any gain arising from the transfer or exercise of warrants should, based on current Finnish court and taxation practice, generally be considered a capital gain (as opposed to interest or compensation comparable to interest), at least where the warrant is listed.

Further, according to a decision of the Supreme Administrative Court (KHO:2013:117), unlisted warrants, subject to trading only in a system upheld by a financial institution, were considered marketable securities for tax purposes where the warrants were freely issued and transferable and qualified for listing as such. Losses accrued were considered deductible in the taxation of the holder of the warrants. Consequently, losses realized on the transfer, exercise or redemption of the Securities, especially where listed, should be treated as a capital loss in taxation.

Capital income is taxed at a rate of 30 per cent (to the extent the annual capital income of a Finnish private person exceeds EUR 30,000 the tax rate is 34 per cent) in accordance with the Finnish Income Tax Act. Taxable capital gains or losses are the difference between the sales price or the amount received in connection with the exercise and the

aggregate of the acquisition cost of the securities and related expenses. Individuals and estates may elect to apply a so called presumptive acquisition cost instead of the actual acquisition cost. The presumptive acquisition cost is generally 20 per cent of the sales price or the amount received in connection with the exercise, but is 40 per cent of the sales price or the amount received in connection with the exercise for securities that have been held for at least ten years. If the presumptive acquisition cost is used instead of the actual acquisition cost, the related expenses are included in the presumptive acquisition cost, and therefore, may not be deducted in addition to the presumptive acquisition cost. However, capital gains are not regarded as taxable income if the total amount of the sales prices (or the amounts received in connection with the exercise) of assets sold does not exceed EUR 1,000 in a calendar year.

Capital losses arising from the sale of securities during or after 2016, which are not considered to belong to the business activity of an individual or an estate, are deductible from all capital income arising in the same year and the following five years. To the extent the capital loss has arisen prior to 2016, the capital loss is, however, only deductible from capital gains (in the same year and the following five years.) Capital losses are not tax-deductible if the acquisition costs of the assets sold do not exceed EUR 1,000 in a calendar year and if the total amount of the sales prices (or the amounts received in connection with the exercise) does not exceed EUR 1,000 in the same calendar year.

### ***Resident corporates***

Interest and any similar income (e.g. interest compensation, (in Finnish "*jälkimarkkinahyvitys*") and index compensation, (in Finnish "*indeksihyvitys*"), received as well as any gain arising from the transfer or exercise of the Securities is generally included in the income arising from business activities (business income source) or from passive assets (other income source) of a Finnish company or the permanent establishment of a foreign company. The taxable income of a company is determined separately for business and other income sources. Both income sources are taxed at a flat rate of 20 per cent. The principal difference between the two sources of income concerns the deductibility of capital losses. The acquisition cost of the sold securities belonging to business activities is deductible for the company from other business income. Tax loss carry forwards (including capital losses) of a company (or the business activity of an individual or estate) are deductible from taxable business income in 10 subsequent tax years following the tax year for which the tax loss carry forwards was confirmed. Capital losses arising from the sale of securities not belonging to the business activity of a company are, however, deductible only against capital gains arising in the same tax year and the following five tax years. The decision of the Supreme Administrative Court referred to above under "Resident individuals and estates" should also be applicable in terms of the taxation of resident corporates where losses accrue from the sale of Securities not belonging to the business activity of the company. Companies are not allowed to use the acquisition cost presumption described above.

### ***Non-residents***

Holders of Securities who are not Finnish residents are not generally subject to Finnish tax on payments received under the Securities or gains realised in the transfer, exercise or redemption of Securities in Finland, provided that the Securities in question do not relate to business carried out in Finland through a permanent establishment.

### ***Withholding***

The Issuer is not under an obligation to perform any withholding or deduction for or on account of any income tax imposed, levied, withheld or assessed by Finland or any political subdivision or taxing authority thereof or therein in respect of any payments under the Securities. Further, such payments may be made free of any withholding when the recipient of the payment is not resident in Finland for tax purposes, or is a corporate resident in Finland for tax purposes.

An agent or intermediary resident in Finland shall withhold advance income tax at the rate of 30 per cent from any interest, interest compensation (in Finnish "*jälkimarkkinahyvitys*") or index compensation, (in Finnish "*indeksihyvitys*") paid to an individual or estate residing in Finland, where such payment is made through the agent or intermediary. However, to the extent the payments in respect of the Securities are classified as capital gain - which should be the case

upon the exercise (i.e. the realisation of the net value through cash settlement) of Securities regarded as warrants (especially where listed), as discussed above - they are generally not subject to advance withholding of income tax.

### **Wealth Tax**

There is no wealth tax in Finland.

### **Transfer Tax**

No transfer tax should be due on the transfer of the Securities.

Where the Securities are physically settled, and where the underlying security is considered a security for the purposes of the Finnish Transfer Tax Act, such as a share issued by a Finnish company, transfer tax may be due on the transfer of the underlying (securities). However, in case the underlying securities would be considered as securities for Finnish transfer tax purposes, securities listed for public trading, as defined in Chapter 1 Section 3 of the Finnish Securities Market Act and in the Council Directive 2004/39/EC of 21 April 2004 on markets in financial instruments, and sold against a fixed cash consideration using a qualified securities broker or where the purchaser is accepted as a trading party in the relevant marketplace, are not subject to Finnish transfer tax in accordance with the Finnish Transfer Tax Act.

### **Gift and Inheritance Tax**

In accordance with domestic tax law, transfer of securities by way of gift or inheritance is subject to Finnish gift or inheritance tax, respectively, if either the transferor or the transferee was resident for tax purposes in Finland at the time of death or donation. Finland's right to impose gift or inheritance tax on transfer of movable property in the form of gift or inheritance received by residents and non-residents of Finland may, however, be limited by virtue of double tax treaties.

## FRENCH TAXATION

*The descriptions below are intended as a basic summary of certain French tax consequences in relation to the holding of the Warrants issued by BNPP. Potential purchasers of Warrants are advised to consult their own appropriate independent and professionally qualified tax advisors as to the tax consequences of any investment in, or ownership of, the Warrants.*

### Withholding tax on Warrants issued by BNPP

Payments in respect of Warrants issued by BNPP should not be subject to, or should be exempt from, withholding tax provided that the beneficial owner of such Warrants and the payments thereunder is resident or domiciled in a country which has entered into an appropriate double tax treaty with France and fulfils the relevant requirements provided in such treaty and payments under the relevant Warrants are not paid or accrued to persons domiciled or established in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French *Code général des impôts* (a "**Non-Cooperative State**") or paid in such a Cooperative State.

In addition, payments in respect of such Warrants issued by BNPP may, in certain circumstances, be non-deductible (in whole or in part) for French tax purposes if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid in such a Non-Cooperative State. Under certain conditions, and subject to the more favourable provisions of an applicable double tax treaty, such non-deductible payments may be recharacterised as constructive dividends pursuant to Articles 109 and *seq* of the French *Code général des impôts* and subject to the withholding tax set out under Article 119 *bis* 2 of the French *Code général des impôts* at a rate of up to 75 per cent..

Potential purchasers of Warrants issued by BNPP who are resident or domiciled in a country which has not entered into an appropriate double tax treaty with France or who are domiciled or established in a Non-Cooperative State are advised to consult their own appropriate independent and professionally qualified tax advisors as to the tax consequences of any investment in, ownership of, or transactions involving the Warrants.

### Transfer tax and other taxes

*The following may be relevant in connection with Warrants which may be settled or redeemed by way of physical delivery of certain French listed shares (or certain assimilated securities) or securities representing such shares (and assimilated securities).*

Pursuant to Article 235 *ter* ZD of the French *Code général des impôts*, a financial transaction tax (the "**French FTT**") is applicable to any acquisition for consideration, resulting in respect of acquisitions realised before 1 January 2018 in a transfer of ownership, of (i) an equity security (*titre de capital*) as defined by Article L.212-1 A of the French *Code monétaire et financier* of an assimilated equity security (*titre de capital assimilé*) as defined by Article L.211-41 of the French *Code monétaire et financier*, admitted to trading on a recognised stock exchange when the said security is issued by a company whose registered office is situated in France and whose market capitalisation exceeds 1 billion Euros on 1 December of the year preceding the year in which the acquisition occurs (the "**French Share**") or (ii) a security (*titre*) representing French Shares (irrespective of the location of the issuer of such security). The French FTT could apply in certain circumstances to the acquisition of French Shares (or a security representing a French Share) in connection with the settlement or redemption of any Warrants.

There are a number of exemptions from the French FTT and investors should consult with their counsel to identify whether they can benefit from them.

The rate of the French FTT is 0.3 per cent. of the acquisition value of the French Share (or the security representing the French Share).

If the French FTT applies to an acquisition of French Shares, this transaction is exempt from transfer taxes (*droits de mutation à titre onéreux*) which generally apply at a rate of 0.1 per cent. to the sale of shares issued by a company whose registered office is situated in France, provided that in case of shares listed on a recognised stock exchange, transfer taxes are due only if the transfer is evidenced by a written deed or agreement.



## ITALIAN TAXATION

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

Prospective investors are advised to consult their own tax advisers concerning the overall tax consequences of their interest in the Securities.

This summary may not provide prospective investors with a comprehensive description of the tax consequences of an investment in Securities that are redeemed by physical delivery.

As clarified by the Italian tax authorities in resolution No. 72/E of 12 July 2010, the Italian tax consequences of the purchase, ownership and disposal of the Securities may be different depending on whether:

- (a) they represent a securitized debt claim, implying a static "use of capital" (*impiego di capitale*), through which the subscriber of the Securities transfers to the Issuer a certain amount of capital for the purpose of obtaining remuneration on the same capital and subject to the right to obtain its (partial or entire) reimbursement at maturity; or
- (b) they represent a securitized derivative financial instrument or bundle of derivative financial instruments that do not entail a "use of capital", through which the subscriber of the Securities invests indirectly in underlying financial instruments for the purpose of obtaining a profit deriving from the terms of such underlying financial instruments.

In the Italian market, it is customary to classify certificates within the latter category and treat them as securitized derivative financial instruments, as long as they are not principal protected and treated as bonds or similar securities. On this basis, the following summary does not describe the tax treatment of bonds (*obbligazioni*) and similar securities (which are debentures incorporating an unconditional obligation of the Issuer to pay, at redemption, an amount not lower than their nominal value).

### Italian taxation of Securities

#### 1. Capital Gains

Warrants and other securitised derivatives are subject to Article 67 of Presidential Decree No. 917 of 22 December 1986 (the "**TUIR**") and Decree 461, where the Italian resident Holder of Securities is (i) an individual not engaged in an entrepreneurial activity to which the Securities are connected, (ii) a non-commercial partnership pursuant to article 5 of TUIR (with the exception of general partnership, limited partnership and similar entities), (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, capital gains realised under the sale or the exercise of the Securities are subject to a 26 per cent. substitute tax.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not engaged in an entrepreneurial activity may be exempt from Italian capital gain taxes, including the *imposta sostitutiva*, on capital gains realised under the Securities if the Securities are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets the requirements set forth in Article 1(100-114) of Law No. 232 of 11 December 2016 (the "**Finance Act 2017**"). To date, without official clarification as to how these rules apply, it is uncertain if the Securities may benefit from this specific regime.

The recipient may opt for three different taxation criteria:

- (1) Under the tax declaration regime (*regime della dichiarazione*), which is the default regime for taxation of capital gains realised by Italian resident individuals not engaged in an entrepreneurial activity to which the Securities are connected, the *imposta sostitutiva* on capital gains will be chargeable, on a cumulative basis, on all capital gains, net of any offsettable capital loss, realised by the Italian resident individual holding the Securities not in connection with an entrepreneurial activity pursuant to all sales or redemptions of the Securities carried out during any given tax year. Italian resident individuals holding the Securities not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay *imposta sostitutiva* on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years. Pursuant to Law Decree No. 66 of 24 April 2014 ("**Decree 66**"), as converted into law by Law No. 89 of 23 June 2014, capital losses may be carried forward to be offset against capital gains of the same nature realised after 30 June 2014 for an overall amount of 76.92 per cent. of the capital losses realised from 1 January 2012 to 30 June 2014;
- (2) As an alternative to the tax declaration regime, Italian resident individuals holding the Securities not in connection with an entrepreneurial activity may elect to pay the *imposta sostitutiva* separately on capital gains realised on each sale or redemption of the Securities (the "*risparmio amministrato*" regime provided for by article 6 of Decree 461). Such separate taxation of capital gains is allowed subject to: (i) the Securities being deposited with Italian banks, SIMs or certain authorised financial intermediaries; and (ii) an express valid election for the *risparmio amministrato* regime being made in writing in a timely manner by the relevant Holder of Securities. The depository is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of the Securities (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Holder of Securities or using funds provided by the Holder of Securities for this purpose. Under the *risparmio amministrato* regime, where a sale or redemption of the Securities results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the *risparmio amministrato* regime, the Holder of Securities is not required to declare the capital gains in the annual tax return. Pursuant to Decree 66, capital losses may be carried forward to be offset against capital gains of the same nature realised after 30 June 2014 for an overall amount of 76.92 per cent. of the capital losses realised from 1 January 2012 to 30 June 2014; and
- (3) Any capital gains realised or accrued by Italian resident individuals holding the Securities not in connection with an entrepreneurial activity who have entrusted the management of their financial assets, including the Securities, to an authorised intermediary and have validly opted for the so-called "*risparmio gestito*" regime (regime provided for by article 7 of Decree 461) will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 26 per cent. substitute tax to be paid by the managing authorised intermediary. Under this *risparmio gestito* regime, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the *risparmio gestito* regime, the Holder of Securities is not required to declare the capital gains realised in the annual tax return. Pursuant to Decree 66, decreases in value of the management assets may be carried forward to be offset against any subsequent increase in value accrued as of 1 July 2014 for an overall amount of 76.92 per cent. of the decreases in value registered from 1 January 2012 to 30 June 2014.

Where an Italian resident Holder of Securities is a company or similar commercial entity, or the Italian permanent establishment of a foreign commercial entity to which the Securities are effectively connected, capital gains arising from the Securities will not be subject to *imposta sostitutiva*, but must be included in the relevant Holder of Securities's

income tax return and are therefore subject to Italian corporate tax ("**IRES**") and, in certain circumstances, depending on the status of the Holder of Securities, also as a part of the net value of production for the purposes of the Italian regional tax on productive activities ("**IRAP**").

If the investor is an open-ended or closed-ended investment fund, a SICAF (an investment company with fixed share capital) or a SICAV (an investment company with variable capital) established in Italy and either (i) the fund, the SICAF or the SICAV or (ii) their manager is subject to the supervision of a regulatory authority (the "**Fund**"), and the relevant Securities are held by an authorised intermediary, capital gains arising from the Securities will not be subject to *imposta sostitutiva*, but must be included in the management results of the Fund. The Fund will not be subject to taxation on such results but a withholding tax of 26 per cent. will apply, in certain circumstances, to distributions made in favour of unitholders or shareholders.

Any capital gains realised by a Holder of Securities which is a pension fund (subject to the regime provided by article 17 of the Legislative Decree No. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 20 per cent. *ad hoc* substitute tax on their annual net accrued result.

Capital gains realised by a Holder of Securities which is an Italian resident real estate investment fund established pursuant to Article 37 of Legislative Decree No. 58 of 24 February 1998, as amended and supplemented and Article 14-bis of Law No. 86 of 25 January 1994 (the "**Real Estate Investment Fund**") or an Italian real estate SICAF (the "**Real Estate SICAF**") are subject neither to substitute tax nor to any other income in the hands of the same Real Estate Investment Fund or Real Estate SICAF.

Capital gains realised by non-Italian resident Holders of Securities are not subject to Italian taxation, provided that the Securities (i) are transferred on regulated markets, or (ii) if not transferred on regulated markets, are held outside of Italy. The provisions of the applicable tax treaties against double taxation entered into by Italy apply if more favourable and all the relevant conditions are met.

### **Securities qualifying as Atypical Securities**

Proceeds arising from the investment in debt securities that are not qualified as securitised derivatives for Italian tax purposes ("**Atypical Securities**") are subject to a withholding tax, levied at the rate of 26 per cent..

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 proceeds relating to Atypical Securities, if such Securities are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets the requirements set forth in Article 1(100-114) of the Finance Act 2017.

Proceeds on Atypical Securities made to Italian resident Holders which are (i) companies or similar commercial entities (including a permanent establishment in Italy of a foreign entity to which the Securities are effectively connected), and (ii) commercial partnerships, are not subject to the aforementioned withholding tax, but form part of their aggregate income subject to IRES. In certain cases, such proceeds may also be included in the taxable net value of production for IRAP purpose.

Proceeds relating to Atypical Securities received by non-Italian resident beneficial owners (not having a permanent establishment in Italy to which the Securities are effectively connected) are generally not subject to tax in Italy provided that, if the securities are held in Italy, the Non-Resident Holder declares itself to be non-Italian resident according to the Italian tax regulations.

### **Payments made by a non-resident Guarantor**

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

### **Transfer Tax**

Following the repeal of the Italian 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 EUR 200; (ii) private deeds are subject to registration tax only in case of use or voluntary registration.

### **Inheritance and gift taxes**

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

- (a) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or the gift exceeding, for each beneficiary, EUR 1,000,000;
- (b) transfers in favour of relatives to the fourth degree or relatives-in-law to the third degree, are subject to an inheritance and gift tax applied at a rate of 6 per cent. on the entire value of the inheritance or the gift. Transfers in favour of brothers/sisters are subject to the 6 per cent. inheritance and gift tax on the value of the inheritance or the gift exceeding, for each beneficiary, EUR 100,000; and
- (c) any other transfer is, in principle, subject to an inheritance and gift tax applied at a rate of 8 per cent. on the entire value of the inheritance or the gift.

If the transfer is made in favour of persons with severe disabilities, the tax is levied to the rate mentioned above in (a), (b) and (c) on the value exceeding EUR1,500,000.

### **Stamp duty**

Pursuant to Article 19(1) of Decree No. 201 of 6 December 2011 ("**Decree 201**"), a proportional stamp duty applies on an annual basis to the periodic reporting communications sent by financial intermediaries to their clients for the securities deposited in Italy. The stamp duty applies at a rate of 0.2 per cent. and cannot exceed EUR 14,000 for taxpayers other than individuals; this stamp duty is determined on the basis of the market value or – if no market value figure is available – the nominal value or redemption amount of the securities held.

Based on the wording of the law and the implementing decree issued by the Italian Ministry of Economy on 24 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 in any form a banking, financial or insurance activity within the Italian territory.

### **Wealth Tax on securities deposited abroad**

Pursuant to Article 19(18) of Decree 201, Italian resident individuals holding the securities outside the Italian territory are required to pay an additional tax at a rate of 0.2 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).

#### **Italian Financial Transaction Tax ("IFTT")**

Italian shares and other participating instruments, as well as depository receipts representing those shares and participating instruments irrespective of the relevant issuer, (cumulatively referred to as "**In-Scope Shares**"), received by an investor upon physical settlement of the Securities may be subject to a 0.2 per cent. IFTT calculated on the value of the Securities as determined according to Article 4 of Ministerial Decree of 21 February 2013, as amended (the "**IFTT Decree**").

Investors on derivative transactions or transferable securities and certain equity-linked notes mainly having as underlying or mainly linked to In-Scope Shares are subject to IFTT at a rate ranging between €0.01875 and €200 per counterparty, depending on the notional value of the relevant derivative transaction or transferable securities calculated pursuant to Article 9 of the IFTT Decree. IFTT applies upon subscription, negotiation or modification of the derivative transactions or transferable securities. The tax rate may be reduced to a fifth if the transaction is executed on certain qualifying regulated markets or multilateral trading facilities.

## LUXEMBOURG TAXATION

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. The information contained within this section is limited to Luxembourg withholding tax issues and does not purport to be a comprehensive description of all the Luxembourg tax considerations which may be relevant to a decision to purchase, own or dispose of the Warrants. Prospective investors in the Warrants 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 withholding tax or a tax of a similar nature, or to any other concepts, refers to Luxembourg tax law and/or concepts only.

### **Withholding Tax**

#### **(i) Non-resident holders of Warrants**

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments made to non-resident holders of Warrants, nor is any Luxembourg withholding tax payable upon settlement or exercise of the Warrants held by non-resident holders of Warrants.

#### **(ii) Resident holders of Securities**

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005, as amended, (the "**Relibi Law**") there is no withholding tax on payments made to Luxembourg resident holders of Warrants, nor is any Luxembourg withholding tax payable upon settlement or exercise of Warrants held by Luxembourg resident holders of Warrants.

Payments under the Warrants coming within the scope of the Relibi Law made or ascribed 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 of currently 20%. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent.

## NORWEGIAN TAXATION

### **Taxation in Norway**

*The following is a summary of certain Norwegian tax considerations with respect to the holding of Warrants obtained by an investor in Norway.*

*The summary is based on applicable Norwegian laws, rules and regulations as they exist as at 29 February 2016. Such laws, rules and regulations may be subject to changes after this date, possibly on a retroactive basis for the same tax year. The summary is of a general nature and does not purport to be a comprehensive description of all tax considerations that may be relevant to investors and does not address foreign tax laws.*

*This summary does not describe the tax consequences for a Holder of Warrants that are redeemable in exchange for, or convertible into shares, of the exercise, settlement or redemption of such Warrants and/or any tax consequences after the moment of exercise, settlement or redemption.*

*Each prospective Holder of Warrants should consult a professional adviser with respect to the tax consequences of an investment in the Warrants, taking into account the influence of each regional, local or national law.*

#### *Exchange of information between countries*

Norway has adopted the EU-Savings Tax Directive, and has entered into many bilateral agreements with countries regarding exchange of tax information. This implies that tax information might be exchanged from one country to the country in which the Holder of Warrants is resident, without this Holder's knowledge.

#### *Interest received in foreign currency*

For Norwegian tax purposes, if interest received is in a foreign currency, it is converted into Norwegian kroner on the date of payment. Interest accrued but not received during the year is converted into Norwegian kroner using the exchange rate at the income year end.

### **Taxation of gains and losses on disposal of Warrants**

Warrants can either be taxed separately as a financial instrument or integrated with the taxation of the underlying asset. A specific assessment must be made of whether the Warrants should be taxed separately or integrated with the taxation of the underlying asset.

If taxation takes place as taxation of the underlying asset, the nature of the taxation will depend on the type of asset in question. If the underlying asset is an equity instrument, the taxation of the gain on the realization/deduction of loss depends on whether the Holder is an individual or a corporate.

For Norwegian individual Holders of shares any dividends and gains are taxable and loss deductible to the extent that it exceeds unused statutory-free allowance and increased by a factor of 1.15 in the year of the disposal and then taxed as ordinary income at a flat tax rate of 25%. This gives an effective tax rate of the gain/loss of 28.75%.

Individual Holders of shares may be entitled to deduct a calculated allowance when calculating their taxable dividend income. The allowance is calculated on a share-by-share basis, and the allowance for each share is equal to the cost price of the share, multiplied by a risk-free interest rate based on the effective rate after tax of interest on treasury bills (*Statskasserveksler*) with three months maturity. If there is unused allowance at the time for the disposal, this shall reduce the tax on gain.



Norwegian corporate Holders of shares covered by the exemption method are exempted from taxation on capital gains, and losses are not deductible. Under the participation exemption, 3% of any dividends will generally be taxable at a rate of 25%, i.e., the dividends received will be subject to an effective tax of 0.75%.

If the Warrants are taxed separately as financial instruments, see below.

#### *Norwegian residents*

Gains on the realization of Warrants deemed as financial instruments that are taxed separately, is taxable and loss deductible at a flat tax rate of 25%. This applies to both individual and corporate Holders of Warrants.

Corporate Holders covered by the exemption method are exempted from taxation on capital gains and losses are not deductible. Tax liability is triggered by the sale, redemption or termination of the Warrants.

#### *Non-Norwegian residents*

Any non-Norwegian resident Holder of Warrants deemed as financial instruments that are taxed separately, with gain on the realization of the Warrants, are not subject to taxation in Norway, unless the Holder is subject to full tax liability in Norway or carries on business in Norway through a permanent establishment.

#### *Expenses related to the Warrants*

Taxpayers that have had costs with sufficiently close connection to the taxable income from the Warrants, may claim a deduction for such costs unless the costs also have a private connection. The costs must be proportionate to the size of the portfolio, the level of activity etc.

#### *Costs in connection with acquisition/realization of the Warrants*

Costs in connection with the acquisition of the Warrants shall be capitalized as part of the input value.

Costs in connection with realization of the Warrants shall be deducted from any gain/loss calculation in the year of realization.

#### *Net wealth tax*

Norwegian limited liability companies and certain similar entities are exempt from Norwegian net wealth tax.

Individual Holders of Warrants who are tax residents of Norway are liable to Norwegian net wealth tax. The market value of the Warrants will form part of the basis for the calculation of net wealth tax.

The current marginal net wealth tax rate is 0.85% of taxable values.

#### *Non-Norwegian residents*

Non-Norwegian corporate Holders of Warrants are exempt from Norwegian net wealth tax.

Non-Norwegian individual Holders of Warrants are not liable to pay net wealth tax in Norway on the value of the Warrants unless these are effectively connected with a business that the individual Holder of Exchange Notes carries out in Norway.

#### *Inheritance tax*

Norway does not impose inheritance or gift tax. However, the heir acquires the donor's tax input value of the Warrants based on principles of continuity. Thus, the heir will be taxable for any increase in value in the donor's ownership, at the time of the heir's realization. However, the principles of continuity only apply if the donor was taxable in Norway. If



the recipient receives Warrants as inheritance or gift from a foreign donor and the assets are included in the Norwegian tax jurisdiction, the recipient will be able to revalue the gift to market value at the time for the gift.

*VAT and transfer taxes*

No VAT, stamp or similar duties are currently imposed in Norway on the transfer or issuance Warrants.

## PORTUGUESE TAXATION

The following summary describes the tax regulations applicable to the acquisition, ownership, redemption and transfer, if any, of the Securities by Portuguese resident individual or corporate investors under current Portuguese law, though it does not take into account any developments or amendments thereof after the date of this Base Prospectus whether or not such developments or amendments have retroactive effect.

It should be noted that this summary does not explain all possible tax consequences of the above-mentioned transactions or the tax regulations applicable to all categories of Securities' holders, some of which may be subject to special rules.

Prospective investors are therefore advised to consult their lawyers or tax advisers, who will be in a position to provide personalised advice in the light of their particular circumstances. Prospective investors should also pay attention to any changes in currently applicable legislation or administrative interpretations thereof that may occur in the future.

### 1. Warrants

#### (i) Individual investors

Income from operations related to warrants, in the case of its sale prior to the exercise as well as its exercise, should be qualified as a capital gain.

Income subject to Personal Income Tax ("**PIT**") when disposing of warrants is determined by the positive difference between the sale price and the acquisition price. Income subject to PIT in the exercise of warrants is determined, on the moment of that exercise, by the positive difference between the market price of the underlying asset and the exercise price added to the warrant acquisition price, for call warrants, and by the positive difference between the exercise price deducted from the warrant acquisition price and the market price of the underlying asset, for put warrants.

The individual may choose between the taxation of the positive difference between capital gains and losses at an autonomous rate of 28 per cent. or to aggregate that income to the remaining income to be subject to the general progressive tax rates varying between 14.5 per cent. and 48 per cent. (plus (i) an additional surcharge of 2.5 per cent. applicable on income exceeding €80,000 and up to €250,000 and of 5 per cent. applicable on income exceeding €250,000, and (ii) a surtax varying between 0.88 per cent. and 3.21 per cent. on income exceeding €20,261).

Capital losses do not take part in the calculation of the balance referred in the previous paragraph when the counterpart in the operation is resident in a country or territory listed as a tax haven in Order 150/2004 of February 13, as amended ("**Tax Haven**").

Income obtained by resident individuals arising from operations related to warrants is not subject to Portuguese withholding tax.

#### (ii) Corporate investors

As to corporate entities resident in Portuguese territory, the income from operations related to warrants are considered as profits and subject to Corporate Income Tax ("**CIT**") at a 21 per cent. rate, possibly added to a municipal surcharge up to a maximum of 1.5 per cent. A state surcharge is applicable to income obtained by CIT taxable entities as follows: (a) taxable income exceeding €1,500,000 up to €7,500,000 will be subject to a State surcharge of 3 per cent., (b) taxable income exceeding €7,500,000 up to €35,000,000 will be subject to a State surcharge of 5 per cent and (iii) taxable income above €35,000,000 will be subject to a State surcharge of 7 per cent.

Income obtained by resident corporate investors arising from operations related to warrants is not subject to Portuguese withholding tax.

## **2. Indirect Taxation**

The acquisition, redemption and transfer for a consideration of the Securities will not be subject to any Transfer Tax or Stamp Tax in Portugal and will be exempt from Portuguese Value Added Tax, in accordance with the Portuguese legislation.

## **3. Stamp Tax and CIT on Inheritance and Gifts**

Acquisition of the Securities by individuals not for valuable consideration (by way of inheritance or gift) is subject to Stamp Tax, at a 10 per cent. rate, if the corresponding Issuer has its head office or its effective place of management in Portugal or a permanent establishment in this territory and the acquirer is a Portuguese resident.

Acquisition of the Securities by Portuguese resident corporate investors not for valuable consideration (by way of inheritance or gift) is regarded as taxable income and therefore subject to Portuguese CIT, as a general rule, at a 21 per cent. tax rate, possibly added to a municipal surcharge up to a maximum of 1.5 per cent.. A state surcharge is applicable to income obtained by CIT taxable entities as follows: (a) taxable income exceeding €1,500,000 up to €7,500,000 will be subject to a State surcharge of 3 per cent., (b) taxable income exceeding €7,500,000 up to €35,000,000 will be subject to a State surcharge of 5 per cent and (iii) taxable income above €35,000,000 will be subject to a State surcharge of 7 per cent.

Acquisition of the Securities by non-resident corporate investors not for valuable consideration (by way of inheritance or gift) is subject to CIT, at a 25 per cent. rate, if the corresponding Issuer has its head office or its effective place of management in Portugal. Under the tax treaties entered into by Portugal, such gains are usually not subject to Portuguese tax, but the applicable rules should be confirmed on a case by case basis.

## **4. Mandatory Automatic Exchange of Information**

Portugal has implemented the EC Council Directive 2003/48/EC of 3 June 2003 on taxation savings income ("**EU Savings Directive**") into the Portuguese law through Decree-Law no 62/2005, of 11 March 2005, as further amended.

Meanwhile, further measures in the field of information exchange were adopted at the European Union-level, namely with the approval by the European Council of the Directive no. 2014/107/EU of 9 December 2014) which amended EU Council Directive no. 2011/16/EU ("**Administrative Cooperation Directive**") to extend the mandatory automatic exchange information to a wider range of income, including financial income, in line with the Standard for Automatic Exchange of Financial Account Information in Tax Matters issued by OECD in July 2014 and with the bilateral exchange agreements between the United States of America and several other countries to implement the United States' Foreign Account Tax Compliance Act ("**FATCA**").

Given the broader scope of Council Directive no. 2014/107/EU and in order to prevent overlap between the EU Savings Directive and Administrative Cooperation Directive (as amended by Council Directive no. 2014/107/EU), the EU Savings Directive has been repealed with effect from 1 January 2016 (and from 1 January 2017 in case of Austria) by the Council Directive 2015/2060 of 10 November 2015.

Portugal has implemented the Administrative Cooperation Directive (as amended by the EU Council Directive no. 2014/107/EU) into the Portuguese law through Decree-Law no. 64/2016, of 11 October 2016.

Portugal has also implemented the FATCA regulations through Decree-Law no. 64/2016, of 11 October 2016.

Prospective investors tax resident in Portugal should consult their own legal or tax advisers regarding the consequences of the Administrative Cooperation Directive and the FATCA regulations in their particular circumstances.

## **SPANISH TAXATION**

The statements herein regarding the tax legislation in Spain are based on the laws in force in Spain as of the date of this Base Prospectus (without prejudice to regional tax regimes in the Historical Territories of the Basque country and the community of Navarre or provisions passed by Autonomous Communities which may apply to investors for certain taxes) and are subject to any changes in law. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the warrants. Each prospective holder or beneficial owner of Warrants should be aware that some structured or exotic Warrants have not yet been analysed by the Spanish General Directorate for Taxes with regards to their tax implications. Each prospective holder or beneficial owner of Warrants should consult its tax adviser as to the Spanish tax consequences of the ownership and disposition of the Warrants.

### **1. Spanish Resident Individuals**

#### **Personal Income Tax**

The premium or amount paid for the subscription of the Warrants would not be considered as a deductible expense, but as the acquisition value, which would include the expenses and commissions, inherent to the acquisition, paid by the acquirer.

Income obtained by holders of the Warrants covered by this Prospectus on their transfer before the expiration date will be considered as capital gains or losses on the terms of article 33 of Law 35/2006, of 28 November, of Personal Income Tax, as amended. The gain or loss shall be calculated as a difference between the transfer value, once any expenses and commissions paid by the taxpayer have been deducted (provided that they can be duly justified), and the acquisition value, as it has been defined above.

Upon the exercise of the Warrants, income obtained would be considered as capital gain or loss, being calculated as the difference between (i) the settlement amount, once expenses and commissions paid by the taxpayer have been deducted (provided that they can be duly justified), and (ii) the acquisition value defined above.

Failure to exercise any Warrants on the expiration date would give rise to a capital loss on the acquisition value.

Capital Gains derived from the transfer or exercise of the Warrants will be included in the savings part of the taxable income subject to Personal Income Tax at the following tax rates: (i) 19 per cent. for taxable income up to €6,000; (ii) 21 per cent. for taxable income from €6,001 to €50,000; and (iii) 23 per cent. for any amount in excess of €50,000.

Additionally, tax credits for the avoidance of international double taxation any apply in respect of taxes paid outside Spain on income derived from the Warrants, if any.

#### **Spanish Inheritance and Gift Tax**

Spanish Inheritance and Gift Tax is levied on transfers of Warrants upon death or by gift to Spanish tax resident individuals, with the taxpayer being the transferee. General tax rates currently range from 7.65 to 81.60 per cent., although the tax situation may vary depending on any applicable regional tax laws.

#### **Spanish Wealth Tax**

Spanish tax resident individuals are subject to an annual Wealth Tax on tax year 2016 on their total net wealth, regardless of the location of their assets or of where their rights may be exercised, to the extent that their net wealth exceeds €700,000 (note that a different minimum tax exempt amount may be approved by the

corresponding regional authorities). Therefore, Spanish holders of the Warrants should compute their value as at 31 December 2016 when calculating their Wealth Tax liabilities. The applicable tax rates range between 0.2 per cent. and 2.5 per cent. although the final tax rates may vary depending on any applicable regional tax laws, and some reductions may apply.

In accordance with article 4 of Royal Decree law 3/2016, of 2 December a full exemption on Wealth Tax will apply in tax year 2018 unless such exemption is revoked.

## **2. Legal Entities with Tax Residence in Spain**

### **Corporate Income Tax**

As a general rule, income obtained either through the transfer or the exercise of the Warrants and obtained by taxpayers subject to Spanish Corporate Income Tax ("CIT") will be included in their taxable income under general provisions, with the possibility of applying tax credits for the avoidance of international double taxation in respect of taxes paid outside Spain on income derived from the Warrants, if any.

The general tax rate for Spanish CIT taxpayers is currently 25 per cent. Special rates apply in respect of certain types of entities (such as qualifying collective investment institutions).

## **3. Individuals and Legal Entities with no Tax Residence in Spain**

As a general rule, income obtained by a non-resident holder of Warrants who has a permanent establishment in Spain to which such warrants are attributable would be subject to taxation in a similar way than that applicable to Spanish tax resident CIT taxpayers.

In general terms, the tax rules applicable to individuals and legal entities with no tax residence in Spain but acting through a permanent establishment in Spain are the same as those applicable to Spanish tax resident CIT taxpayers.

## **4. Spanish Withholding Tax**

Income derived from the Warrants will not be subject to withholding tax in Spain.

## **5. Indirect Taxation**

The acquisition, transfer, redemption, reimbursement and exchange of the Warrants will be exempt from Transfer Tax and Stamp Duty, as well as Value Added Tax.

## **6. Reporting Obligations to the Spanish Tax Authorities**

Spanish resident holders of Warrants or non-resident holders with a permanent establishment in Spain to which the Warrants are effectively connected should seek advice from their tax adviser as to whether they should include the Warrants in the annual reporting (Form 720) to the Spanish Tax Authorities declaring assets and rights held outside Spain (filing in respect of Warrants held as of 31 December 2017 will be due by 31 March 2018). Failure to meet this reporting obligation may trigger significant tax penalties and other tax implications.

## SWEDISH TAXATION

The following comments are of a general nature and included herein solely for information purposes. These comments are limited to Swedish withholding taxation relating to holders of Securities that are considered to be Swedish residents for Swedish tax purposes (unless otherwise stated) in respect of amounts that are considered to be interest for Swedish tax purposes as currently applicable and do not contain any statements as to the Swedish tax liability and tax consequences of the purchase, holding or disposal of the Securities. These comments do not address credit of foreign taxes. Further, these comments do not address situations where Securities are held in an investment savings account (*Sw. investeringssparkonto*) or the rules regarding reporting obligations for, among others, payers of interest. These comments are not intended to be, nor should they be construed to be, legal or tax advice. No representation with respect to the consequences to any particular prospective holder of a Security is made hereby.

The information contained in this section is not comprehensive and is not intended as tax advice and does not purport to describe all of the tax considerations that may be relevant to a prospective purchaser of the Securities. It is based upon Swedish tax laws and practice as in effect as of the date hereof which are subject to change.

PROSPECTIVE PURCHASERS OF THE SECURITIES ARE ADVISED TO CONSULT THEIR OWN ADVISORS AS TO THE SWEDISH TAX AND OTHER TAX CONSEQUENCES (INCLUDING THE APPLICABILITY AND EFFECT OF TAX TREATIES FOR THE AVOIDANCE OF DOUBLE TAXATION) OF AN INVESTMENT IN THE SECURITIES IN THEIR PARTICULAR CIRCUMSTANCES.

### *Swedish tax residents*

There is no Swedish withholding tax at source (*källskatt*) applicable on payments made by the issuer in respect of the Securities. However, Sweden operates a system of preliminary tax (*preliminärskatt*) to secure payment of taxes. In the context of the Securities a preliminary tax of 30% will be deducted from all payments of interest in respect of the Securities made to any individuals, or estates, that are resident in Sweden for tax purposes provided the paying entity is subject to reporting obligations. A preliminary tax of 30 per cent. will also be deducted from any other payments in respect of the Securities not treated as capital gains, if such payments are paid out together with payments treated as interest. Depending on the relevant holder's overall tax liability for the relevant fiscal year the preliminary tax may contribute towards, equal or exceed the holder's overall tax liability with any balance subsequently to be paid by or to the relevant holder, as applicable.

### *Non-residents*

There is no Swedish withholding tax on interest payments to non-residents.

## U.S. FEDERAL INCOME TAXATION

The following summary describes certain U.S. federal income tax considerations that may be relevant to a U.S. holder (as defined below) who purchases a Security. Accordingly, this summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant to any particular investor in a Security. In particular, this summary deals only with holders of a Security who purchase in the initial offering at the applicable issue price and in whose hands the Security, or the stock, debt or other property underlying the Security would be a capital asset for U.S. federal income tax purposes. In addition, this discussion assumes that the Securities that are treated as options for U.S. federal income tax purposes, when issued, are not significantly "in-the-money".

This summary also does not discuss the U.S. federal income tax treatment of a U.S. holder who is a member of a class of holders subject to special rules, such as:

- a dealer in securities or derivative financial instruments;
- a trader in securities or derivative financial instruments that elects to use a mark-to-market method of accounting for securities holdings;
- a bank;
- a life insurance company;
- a tax-exempt organisation;
- an entity that is treated for U.S. federal income tax purposes as a partnership or other pass through entity;
- an investor who purchases a Security with respect to stock in a company that is treated as a passive foreign investment company ("PFIC") for U.S. federal income tax purposes;
- an investor who purchases a Security and holds any other position (whether long or short, direct or indirect) in any asset underlying such Security;
- an investor who purchases a Security that is part of a hedging transaction or that has been hedged against currency risk;
- an investor who purchases a Security that is part of a straddle or conversion transaction for U.S. federal income tax purposes; and
- an investor who is a United States person and whose functional currency for U.S. federal income tax purposes is not the U.S. dollar.

As a consequence of the foregoing, it should be particularly noted that this summary does not address the special tax considerations that apply to an investment in a combination of Securities with respect to the same underlying assets. Further, this summary does not address alternative minimum tax considerations, net investment income tax considerations or the consequences to holders of equity interests in a holder of Securities.

Any of the foregoing circumstances might substantially alter the tax consequences described below, and, in some instances, may require specific identification of positions in the relevant Securities before the close of the day on which they are acquired. For example, if the straddle rules were to apply, a U.S. holder of a Security might be required to (i) recognise all or a portion of any gain on such Security that would otherwise be long-term or short-term capital gain, as ordinary income or, if applicable, short-term capital gain, (ii) defer all, or a portion, of any loss realised upon the sale, exchange, exercise, cancellation or lapse of such Security and (iii) capitalise any interest or carrying charges incurred by such U.S. holder with respect to such Security.



This summary is based on the U.S. Internal Revenue Code of 1986 (the "**Code**"), existing and proposed Treasury regulations promulgated thereunder, published rulings and court decisions, all as in effect on the date hereof, and all of which are subject to change, possibly on a retroactive basis.

This summary does not address the material U.S. federal income tax consequences of every type of Security which may be issued under the Programme. Additional U.S. federal income tax consequences, if any, applicable to a particular Security may be set forth in the applicable Final Terms.

The rules governing the taxation of option transactions and derivative financial instruments are complex and depend on a taxpayer's particular circumstances. U.S. holders are strongly urged to consult their own tax advisors concerning the U.S. federal, state, local, non-U.S. and other national tax consequences of the ownership and disposition of Securities in their particular circumstances. U.S. holders should also consult their tax advisors as to the possibility of changes of law affecting taxation of derivative financial instruments with contingent payments, including prepaid forward contracts.

For purposes of this discussion, a "**U.S. holder**" is a beneficial owner of a Security that is (i) an individual who is a citizen or resident of the United States, (ii) a domestic corporation or (iii) otherwise subject to U.S. federal income taxation on a net income basis in respect of the Security.

If a partnership holds the Securities, the United States federal income tax treatment of a partner will generally depend on the status of the partner and the tax treatment of the partnership. A partner in a partnership holding the Securities should consult its tax advisor with regard to the United States federal income tax treatment of an investment in the Securities.

Special tax rules apply to a U.S. person that invests in a debt instrument that is not in "registered form" (as specially defined for applicable U.S. federal income tax purposes). Accordingly, this summary does not address the U.S. federal income tax consequences of an investment by a U.S. holder in a Security that is (or a component of which is), for U.S. federal income tax purposes, a debt instrument that is not in registered form. U.S. holders should consult their tax advisors with regard to debt instruments that are not in registered form.

### **U.S. Federal Tax Characterization of Securities**

The determination of whether an obligation represents debt, equity, or some other instrument or interest for U.S. federal tax purposes is based on all the relevant facts and circumstances. There may not be statutory, judicial or administrative authority directly addressing the characterisation of some of the types of Securities that are anticipated to be issued under the Programme or of instruments similar to such Securities.

Except as otherwise stated below, the following summary may apply to certain Securities that are not treated as debt for U.S. federal income tax purposes but does not discuss all types of Securities that are not treated as debt for U.S. federal income tax purposes. Additional U.S. federal income tax consequences applicable to a particular issuance of Securities may be set forth in the applicable Final Terms.

No ruling is being requested from the U.S. Internal Revenue Service ("**IRS**") with respect to the Securities, and the treatment of the Securities described below is not binding on the IRS or the courts. As a result, significant aspects of the U.S. federal income tax consequences of an investment in the Securities are uncertain.

### **U.S. Federal Income Tax Treatment of Certain Securities as Treated Options or Warrants**

The following summary of the principal U.S. federal income tax consequences of the ownership of Securities that are treated as options or warrants for U.S. federal income tax purposes.

### *Premium*

Premium paid by a U.S. holder for a Security will generally be treated as a non-deductible capital expenditure, and premium received by a U.S. holder for a Security that it writes will generally not be includible in income upon receipt. As described in the following two sections, the amount of such premium will be taken into account upon the exercise, sale, transfer, cash settlement, or lapse of the Security.

### *Physical Settlement of Securities*

A U.S. holder who receives the underlying property pursuant to the physical settlement of a Security will generally not recognise gain or loss upon such physical settlement. Instead, the U.S. holder will generally be treated as purchasing the underlying property as of the exercise date in exchange for the sum of the exercise price and the amount of the premium that the U.S. holder paid for the Security. The U.S. holder's holding period for the underlying property will begin on the day after the date of exercise or, in the case of stock or corporate securities, on the exercise date.

### *Sale, Transfer, Cash Settlement, or Lapse of Securities*

A U.S. holder who has purchased a Security will generally recognise capital gain or loss upon the sale, transfer, cash settlement or lapse of the Security in an amount equal to the difference between (i) the amount realised by the U.S. holder from such sale, transfer, settlement, or lapse and (ii) the amount of the premium that the U.S. holder paid for the Security. Such capital gain or loss generally will be long-term capital gain or loss if the Security was held for more than one year at the time of settlement or at the time of sale or other disposition. Certain exceptions to such treatment are noted below and, if appropriate, may be addressed in the applicable Final Terms.

### *Mark-to-Market Rules*

Under Section 1256 of the Code, special mark-to-market and character rules apply in the case of certain "nonequity" options (including in respect of debt). Unless the Securities (other than Securities denominated in a currency other than the U.S. dollar) are listed on a "qualified board or exchange" for purposes of Section 1256, however, these mark-to-market rules will not be applicable to U.S. holders of the Securities. Where relevant, the application of the section 1256 of the code rules to securities denominated in a currency other than the U.S. dollar may be discussed in the applicable Final Terms.

### **Alternative Treatments of Securities**

Depending on the terms of a Security, such Security could be treated as one or more of the following: (i) a prepaid forward contract (which, depending on the terms, may be subject to embedded options), (ii) a combination of a loan and a prepaid forward contract, (iii) an outright or constructive ownership interest in the property underlying such Security, or (iv) a debt instrument with or without contingent payments. Additional U.S. federal income tax consequences applicable to a particular issuance of Securities may be set forth in the applicable Final Terms.

### *Tax Treatment of (Prepaid) Forward Contracts (With or Without a Loan)*

If any Securities are treated as prepaid forward contracts (with or without a loan) for U.S. federal income tax purposes, the following description should apply to such Securities.

*Interest Payments.* Payments of interest (if any) will generally be taxable to a U.S. holder as ordinary interest income at the time that such payments are accrued or are received (in accordance with the U.S. holder's method of tax accounting).

*Physical Settlement.* If the Securities are treated as prepaid forward contracts, a U.S. holder who receives underlying stock or debt pursuant to the settlement of a Security that the U.S. holder has purchased will generally not recognise

gain or loss on such settlement. The U.S. holder will generally be treated as acquiring the property underlying the Security, as of the date of settlement, in exchange for the amount that it paid to acquire the Security.

*Cash Settlement, Sale, or Other Disposition of the Securities.* If the Securities are treated as prepaid forward contracts, upon the receipt of cash upon settlement of a Security or upon the sale or other disposition of such Security, a U.S. holder generally will recognise taxable gain or loss, equal to the difference between the amount realised (generally, the amount of cash received) and such U.S. holder's tax basis in the Security. In general, a holder's tax basis in a Security will equal the amount that such holder paid to acquire the Security. Subject to the discussion below under "Constructive Ownership", any such gain or loss generally will be long-term capital gain or loss if the Security was held for more than one year at the time of settlement or at the time of sale or other disposition.

*Constructive Ownership.* Some or all of the net long-term capital gain arising from certain "constructive ownership" transactions may be characterised as ordinary income, in which case an interest charge would be imposed on the deemed underpayment of tax on any such ordinary income treated as deferred under these rules. These rules have no immediate application to forward contracts in respect of most property underlying the Securities, since they are only applicable to the extent that the underlying property directly or indirectly includes shares of issuers treated as PFICs or as certain "pass through" entities. These rules, however, grant discretionary authority to the U.S. Treasury Department (the "**Treasury**") to expand the scope of "constructive ownership" transactions to include forward contracts in respect of the stock of all corporations, in addition to forward contracts in respect of any debt instrument. The rules separately also direct the Treasury to promulgate regulations excluding a forward contract that does not convey "substantially all" of the economic return on any underlying asset from the scope of "constructive ownership" transactions. It is not possible to predict whether such regulations will be promulgated by the Treasury, or the form or effective date that any regulations that may be promulgated might take.

#### *Interest in the Underlying Property*

Depending on the terms of particular Securities, a U.S. holder could be treated as owning the property underlying those Securities for U.S. federal income tax purposes. In that event, for example, in the case of Index Securities, the U.S. holder would be required to recognise appropriate amounts of capital gain on the disposition of any shares included in the underlying Index each time that the Index is rebalanced. In such a case, such U.S. holder also would be subject to tax on dividends on shares included in the Index in an amount equal to the gross dividends paid by companies whose shares are included in the Index. In addition, any current expenses (including any withholding taxes) in respect of shares included in the Index would be treated as if made directly by the U.S. holder, and the deductibility of such expenses (or creditability of such withholding taxes) could be subject to certain limitations.

#### *Contingent Payment Debt Instruments*

If any Securities are treated as contingent payment debt instruments, the tax consequences to a U.S. holder would be determined under U.S. Treasury regulations governing contingent payment debt instruments (the "**Contingent Payment Regulations**"). The Contingent Payment Regulations are complex, but very generally apply the original issue discount ("**OID**") rules of the Code to a contingent payment debt instrument by requiring that OID be accrued by the U.S. holder every year at a "comparable yield" for the issuer of the instrument, determined at the time of issuance of the obligation. In addition, the Contingent Payment Regulations require that a projected payment schedule, which results in such a "comparable yield", be determined by the issuer. Further, a U.S. holder will be required to make adjustments to income accruals be made to account for differences between actual payments received by the U.S. holder and projected amounts of such payments. To the extent that the actual payments received by a U.S. holder exceed the projected payments on a contingent debt instrument in any taxable year, the U.S. holder will recognise ordinary interest income for that taxable year in excess of the cash the U.S. holder receives and such excess would increase the U.S. holder's tax basis in the debt instrument. In addition, any gain realised on the sale, exchange or redemption of a contingent payment debt instrument will be treated as ordinary income. Any loss realised on such sale, exchange or redemption will be treated as an ordinary loss to the extent that the U.S. holder's OID inclusions with respect to the obligation exceed prior

reversals of such inclusions required by the adjustment mechanism described above. Any loss realised in excess of such amount generally will be treated as a capital loss.

#### *Loan and One or More Options*

If any Securities are treated as a combination of a loan (or deposit) and one or more options, in general, payments of interest (if any) will be taxable to a U.S. holder as ordinary interest income at the time that such payments are accrued or are received (in accordance with the U.S. holder's method of tax accounting), while payments in respect of the options would be taxable in a manner similar to the taxation of corresponding payments under Securities treated as options, as described above under "*Treatment of Securities as Options or Warrants*."

#### *Possible Alternative Tax Treatment*

If a Security is treated as a unit consisting of a loan and a forward contract (or a loan and one or more options), a U.S. holder could be required to accrue a significant amount of OID on a current basis during the period in which it holds the Security.

It is also possible that future regulations or other IRS guidance would require a U.S. holder to accrue income on the Securities on a current basis. The IRS and the Treasury have issued proposed regulations that require the current accrual of income with respect to contingent non-periodic payments made under certain notional principal contracts. The preamble to the regulations states that the "wait and see" method of tax accounting does not properly reflect the economic accrual of income on such contracts, and requires a current accrual of income with respect to some contracts already in existence at the time the proposed regulations were released. While the proposed regulations do not apply to prepaid forward contracts, the preamble to the proposed regulations expresses the view that similar timing issues exist in the case of prepaid forward contracts. If the IRS published future guidance requiring current accrual of income with respect to contingent payments on prepaid forward contracts, it is possible that a U.S. holder could be required to accrue income over the term of the Securities.

#### *Notice 2008-2*

The IRS and the Treasury have issued a notice requesting public comments on a comprehensive set of tax policy issues raised by prepaid forward contracts, including several different approaches under which U.S. holders of prepaid forwards could be required to recognize ordinary income on a current basis, or could be treated as owning directly the assets subject to the prepaid forward. Although it is currently uncertain what future guidance will result from the notice, the notice leaves open the possibility that such guidance could have retroactive application. In addition, prospective investors are encouraged to consult their own tax advisors about the potential impact of several proposed legislative changes in the taxation of derivatives contracts, and the likelihood that any of the foregoing may take effect.

### **Foreign Currency Rules**

Payments of premium, exercise price, sale proceeds, and cash settlement amounts in respect of Securities that are denominated in a currency other than the U.S. dollar will be subject to special U.S. tax rules regarding foreign currency transactions. U.S. holders should consult their own tax advisors concerning the application of these rules in their particular circumstances.

### **Information Reporting and Backup Withholding**

The relevant agent may be required to file information returns with the IRS with respect to payments made to certain U.S. holders of Securities. In addition, certain U.S. holders may be subject to backup withholding tax in respect of such payments if they do not provide their taxpayer identification numbers to the paying agent or otherwise comply with the applicable backup withholding requirements. U.S. holders should consult their tax advisers regarding the application of information reporting and backup withholding in their particular situations, the availability of an exemption therefrom and the procedure for obtaining the exemption, if available. Backup withholding is not an additional tax. Any amounts

withheld from a payment to a holder under the backup withholding rules will be allowed as a credit against the U.S. holder's U.S. federal income tax liability and may entitle the holder to a refund of any excess amounts withheld under the backup withholding rules by timely filing the appropriate claim for refund with the IRS and furnishing all required information.

Certain U.S. holders that own "specified foreign financial assets" that meet certain U.S. dollar value thresholds will generally be required to file an information report with respect to such assets with their tax returns. "Specified foreign financial assets" include any financial accounts maintained by foreign financial institutions, as well as any of the following, but only if they are not held in accounts maintained by certain financial institutions: (i) stock or securities issued by non-United States persons, (ii) financial instruments and contracts held for investment that have non-United States issuers or counterparties, and (iii) interests in foreign entities. The Securities may be subject to these rules. U.S. holders are urged to consult their tax advisors regarding the application of these reporting requirements to their ownership of the Securities.

## HIRING INCENTIVES TO RESTORE EMPLOYMENT ACT WITHHOLDING

The U.S. Hiring Incentives to Restore Employment Act introduced Section 871(m) of the U.S. Internal Revenue Code of 1986 (the "**Code**") which treats a "dividend equivalent" payment as a dividend from sources within the United States. Under Section 871(m), such payments generally would be subject to a 30 per cent. U.S. withholding tax that may be reduced by an applicable tax treaty, eligible for credit against other U.S. tax liabilities or refunded, provided that the beneficial owner timely claims a credit or refund from the U.S. Internal Revenue Service (the "**IRS**"). A "**dividend equivalent**" payment is (i) a substitute dividend payment made pursuant to a securities lending or a sale-repurchase transaction that (directly or indirectly) is contingent upon, or determined by reference to, the payment of a dividend from sources within the United States, (ii) a payment made pursuant to a "specified notional principal contract" that (directly or indirectly) is contingent upon, or determined by reference to, the payment of a dividend from sources within the United States, and (iii) any other payment determined by the IRS to be substantially similar to a payment described in (i) and (ii). U.S. Treasury regulations issued under Section 871(m) (together with any amendments or official guidance relating thereto, the "**Section 871(m) Regulations**") require withholding on certain non-U.S. holders of the Securities with respect to amounts treated as attributable to dividends from certain U.S. securities. Under the Section 871(m) Regulations, only a Security that has an expected economic return sufficiently similar to that of the underlying U.S. security, as determined on the Security's issue date based on tests set forth in the Section 871(m) Regulations, will be subject to the Section 871(m) withholding regime (making such Security a "**Specified Security**"). The Section 871(m) Regulations provide certain exceptions to this withholding requirement, in particular for instruments linked to certain broad-based indices.

Withholding in respect of dividend equivalents will generally be required when cash payments are made on a Specified Security or upon the date of maturity, lapse or other disposition by the non-U.S. holder of the Specified Security. If the underlying U.S. security or securities are expected to pay dividends during the term of the Specified Security, withholding generally will still be required even if the Specified Security does not provide for payments explicitly linked to dividends. If the Issuer or any withholding agent determines that withholding is required, neither the Issuer nor any withholding agent will be required to pay any additional amounts with respect to amounts so withheld.

The Section 871(m) Regulations generally apply to Specified Securities issued on or after 1 January 2017. If the terms of a Security are subject to a "significant modification" (as defined for U.S. tax purposes), the Security generally would be treated as retired and reissued on the date of such modification for purposes of determining, based on economic conditions in effect at that time, whether such Security is a Specified Security. Similarly, if additional Securities of the same series are issued (or deemed issued for U.S. tax purposes, such as certain sales of Securities out of inventory) after the original issue date, the IRS could treat the issue date for determining whether the existing Securities are Specified Securities as the date of such subsequent sale or issuance. Consequently, a previously grandfathered Security, or otherwise out of scope Security, might become a Specified Security following such modification or further issuance.

The applicable Final Terms will indicate whether the Issuer has determined that Securities are Specified Securities and will specify contact details for obtaining additional information regarding the application of Section 871(m) to such Securities. If Securities are Specified Securities, a non-U.S. holder of such Securities should expect to be subject to withholding in respect of any dividend-paying U.S. securities underlying those Securities. The Issuer's determination is binding on non-U.S. holders of the Securities, but it is not binding on the IRS. The Section 871(m) Regulations require complex calculations to be made with respect to Securities linked to U.S. securities and their application to a specific issue of Securities may be uncertain. Prospective investors should consult their tax advisers regarding the potential application of Section 871(m) to the Securities.

If so specified in the Final Terms, the Issuer will arrange for withholding under Section 871(m) to be imposed on any dividend equivalent payment at a rate of 30 per cent., regardless of any exemption from, or reduction on, such withholding otherwise available under applicable law (including, for the avoidance of doubt, where a non-U.S. holder is eligible for a reduced rate under an applicable tax treaty with the United States). A non-U.S. holder may be able to

claim a refund of any excess withholding provided the required information is timely furnished to the IRS. Refund claims are subject to U.S. tax law requirements and there can be no assurance that a particular refund claim will be timely paid or paid at all.



## FOREIGN ACCOUNT TAX COMPLIANCE ACT

Sections 1471 through 1474 of the Code ("**FATCA**") impose a new reporting regime and potentially a 30 per cent. withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a "foreign financial institution", or "**FFI**" (as defined by FATCA)) that does not become a "**Participating FFI**" by entering into an agreement with the IRS to provide the IRS with certain information in respect of its account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA and (ii) any investor (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether the investor is a U.S. person or should otherwise be treated as holding a "United States account" of an Issuer (a "**Recalcitrant Holder**"). The Issuers are classified as FFIs.

The new withholding regime is now in effect for payments from sources within the United States and will apply to "foreign passthru payments" (a term not yet defined) no earlier than 1 January 2019. This withholding would potentially apply to payments in respect of (i) any Securities characterized as debt (or which are not otherwise characterized as equity and have a fixed term) for U.S. federal tax purposes that are issued after the "**grandfathering date**", which (A) with respect to Securities that give rise solely to foreign passthru payments is the date that is six months after the date on which final U.S. Treasury regulations defining the term foreign passthru payment are filed with the Federal Register and (B) with respect to Securities that give rise to dividend equivalent payments, as discussed above under "*Hiring Incentives to Restore Employment Act*" is the date that is six months after the date on which obligations of its type are first treated as giving rise to dividend equivalent payments, or (in each case) which are materially modified after the grandfathering date and (ii) any Securities characterized as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. If Securities are issued on or before the grandfathering date, and additional Securities of the same series are issued after that date, the additional Securities may not be treated as grandfathered, which may have negative consequences for the existing Securities, including a negative impact on market price.

The United States and a number of other jurisdictions have entered into intergovernmental agreements to facilitate the implementation of FATCA (each, an "**IGA**"). Pursuant to FATCA and the "Model 1" and "Model 2" IGAs released by the United States, an FFI in an IGA signatory country could be treated as a "Reporting FI" not subject to withholding under FATCA on any payments it receives. Further, an FFI in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA (or any law implementing an IGA) (any such withholding being "**FATCA Withholding**") from payments it makes. Under each Model IGA, a Reporting FI would still be required to report certain information in respect of its account holders and investors to its home government or to the IRS. The United States has entered into an IGA with each of the Netherlands and France (the "**Relevant IGAs**") based largely on the Model 1 IGA.

If the Issuer is treated as Reporting FI pursuant to the Relevant IGA it does not anticipate that it will be obliged to deduct any FATCA Withholding on payments it makes. There can be no assurance, however, that the Issuer will be treated as a Reporting FI, or that it would in the future not be required to deduct FATCA Withholding from payments it makes. Accordingly, the Issuer and financial institutions through which payments on the Securities are made may be required to withhold FATCA Withholding if (i) any FFI through or to which payment on such Securities is made is not a Participating FFI, a Reporting FI, or otherwise exempt from or in deemed compliance with FATCA or (ii) an investor is a Recalcitrant Holder.

While the Securities are in global form and held within the ICSDs, it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Securities by the Issuer, any paying agent and the common depositary or common safekeeper, given that each of the entities in the payment chain between the Issuers and the participants in the ICSDs is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an IGA will be unlikely to affect the Securities. The documentation expressly contemplates the possibility that the Securities may go into definitive form and therefore that they may be taken out of the ICSDs. If this were to happen, then a non-FATCA compliant holder could be subject to FATCA Withholding. However, definitive Securities will only be printed in remote circumstances.



FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and the Relevant IGAs, all of which are subject to change or may be implemented in a materially different form. Prospective investors should consult their tax advisers on how these rules may apply to an Issuer and to payments they may receive in connection with the Securities.

## **OTHER TAXATION**

The payment of the Cash Settlement Amount on the Securities, if any, will be made subject to withholding taxes and other taxes which the law may impose on holders of the Securities.

Individuals and legal entities should consult their usual tax advisors with respect to the tax treatment which applies to them.

In addition, holders of the Securities should comply with the tax laws applicable in the jurisdiction in which they are resident, subject to the application of any applicable tax treaty in force between France or, as the case may be, the Netherlands, and such jurisdiction.

Purchasers of Securities may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase in addition to the issue price of each Security.

TRANSACTIONS INVOLVING SECURITIES MAY HAVE TAX CONSEQUENCES FOR POTENTIAL PURCHASERS WHICH MAY DEPEND, AMONGST OTHER THINGS, UPON THE STATUS OF THE POTENTIAL PURCHASER AND LAWS RELATING TO TRANSFER AND REGISTRATION TAXES. POTENTIAL PURCHASERS WHO ARE IN ANY DOUBT ABOUT THE TAX POSITION OF ANY ASPECT OF TRANSACTIONS INVOLVING SECURITIES SHOULD CONSULT THEIR OWN TAX ADVISERS.

Transactions involving Securities may have tax consequences for potential purchasers which may depend, amongst other things, upon the status of the potential purchaser and may relate to transfer and registration taxes.

Security Condition 11 (Expenses and Taxation) should be considered carefully by all potential purchasers of any Securities.

All prospective holders should seek independent advice as to their tax positions.

## U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

The U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), imposes certain restrictions on employee benefit plans ("**ERISA Plans**") that are subject to ERISA and on persons who are fiduciaries with respect to these ERISA Plans. In accordance with ERISA's general fiduciary requirements, a fiduciary with respect to an ERISA Plan who is considering the purchase of U.S. Securities on behalf of the ERISA Plan should determine whether the purchase is permitted under the governing ERISA Plan documents and is prudent and appropriate for the ERISA Plan in view of its overall investment policy and the composition and diversification of its portfolio. Other provisions of ERISA and Section 4975 of the Internal Revenue Code of 1986, as amended (the "**Code**"), prohibit certain transactions involving the assets of an ERISA Plan (as well as those plans that are not subject to ERISA but which are subject to Section 4975 of the Code, such as individual retirement accounts ("**IRAs**") or Keogh plans (together with any entities whose underlying assets include the assets of any such plans or accounts and with ERISA Plans, "**Plans**")) and persons who have certain specified relationships to the Plan ("parties in interest" within the meaning of ERISA or "disqualified persons" within the meaning of Section 4975 of the Code). A party in interest or disqualified person who engages in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and/or the Code. A fiduciary of a Plan (including the owner of an IRA) that engages in a prohibited transaction may also be subject to penalties and liabilities under ERISA and/or the Code.

BNPP, directly or through its Affiliates, may be considered a "party in interest" or a "disqualified person" with respect to many Plans. The purchase of U.S. Securities by a Plan with respect to which BNPP is a party in interest or a disqualified person may constitute or result in a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code. Certain exemptions from the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code may be applicable, however, depending in part on the type of Plan fiduciary making the decision to acquire such U.S. Securities and the circumstances under which such decision is made. Included among these exemptions are Prohibited Transaction Class Exemption ("**PTCE**") 84-14 (an exemption for certain transactions determined by an independent qualified professional asset manager), PTCE 91-38 (an exemption for certain transactions involving bank collective investment funds), PTCE 90-1 (an exemption for certain transactions involving insurance company pooled separate accounts) and PTCE 95-60 (an exemption for certain transactions involving insurance company general accounts), PTCE 96-23 (an exemption for certain transactions determined by an in-house asset manager). In addition, the exemption under section 408(b)(17) of ERISA and section 4975(d)(20) of the Code may be available, provided (i) none of BNPP or the U.S. Dealers or affiliates or employees thereof is a Plan fiduciary that has or exercises any discretionary authority or control with respect to the Plan's assets used to purchase the U.S. Securities or renders investment advice with respect to those assets and (ii) the Plan is paying no more than adequate consideration for the U.S. Securities. There can be no assurance that any of these exemptions or any other exemption will be available with respect to any particular transaction involving the U.S. Securities. Any Plan fiduciary (including the owner of an IRA) considering the purchase of U.S. Securities should consider carefully the possibility of prohibited transactions and the availability of exemptions. U.S. governmental, church and non-U.S. plans, while not subject to the fiduciary responsibility provisions of ERISA or the provisions of Section 4975 of the Code, may nevertheless be subject to local, state, federal or non-U.S. laws that are substantially similar to the foregoing provisions of ERISA and the Code. ANY PENSION OR OTHER EMPLOYEE BENEFIT PLAN, INCLUDING ANY SUCH GOVERNMENTAL, CHURCH OR NON-U.S. PLAN AND ANY INDIVIDUAL RETIREMENT ACCOUNT, PROPOSING TO ACQUIRE ANY U.S. SECURITIES SHOULD CONSULT WITH ITS COUNSEL.

By its purchase of any U.S. Security, the purchaser or transferee thereof (and the person, if any, directing the acquisition of the U.S. Securities by the purchaser or transferee) will be deemed to represent, on each day from the date on which the purchaser or transferee acquires the U.S. Securities through and including the date on which the purchaser or transferee disposes of its interest in such U.S. Securities, either that (a) such purchaser or transferee is not a Plan, an entity whose underlying assets include the assets of any Plan by reason of Department of Labor Regulation section 2570.3-101 (as modified by Section 3(42) of ERISA) or otherwise, or a governmental, church or non-U.S. plan which is subject to any non-U.S., federal, state or local law that is substantially similar to the provisions of Section 406 of

ERISA or Section 4975 of the Code or (b) its purchase, holding and disposition of such U.S. Securities (including, if applicable, the receipt of any Guarantee or Entitlement) will not result in a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or in the case of a governmental, church or non-U.S. plan, any substantially similar non-U.S., federal, state or local law) unless an exemption is available with respect to such transactions and all the conditions of such exemption have been satisfied.

Nothing herein shall be construed as a representation that any investment in U.S. Securities would meet any or all of the relevant legal requirements with respect to investments by, or is appropriate for, Plans generally or any particular Plan. U.S. Securities sold by BNPP B.V. may be subject to additional restrictions.

The above discussion may be modified or supplemented with respect to a particular offering of U.S. Securities, including the addition of further ERISA restrictions on purchase and transfer. Holders should consult the applicable Final Terms for such additional information.

## NOTICE TO PURCHASERS AND HOLDERS OF U.S. SECURITIES AND TRANSFER RESTRICTIONS

As a result of the following restrictions, purchasers of U.S. Securities are advised to consult legal counsel prior to making any purchase, offer, sale, resale, exercise, redemption or other transfer of such U.S. Securities.

Each purchaser of U.S. Securities will, by its purchase of such U.S. Securities, be deemed to acknowledge, represent and agree as follows (terms used in this paragraph that are defined in Rule 144A, Regulation S or the Conditions are used herein as defined therein):

- (i) that either: (a) in the case of the issue or transfer of a U.S. Security to or for a person who takes delivery in the form of U.S. Securities represented by a Rule 144A Global Security, it is (I) a QIB, purchasing (or holding) the U.S. Securities for its own account or for the account of one or more QIBs, in the case of U.S. Securities issued by BNPP or (II) a QIB and QP, purchasing (or holding) such U.S. Security for its own account or for the account of one or more QIBs who are QPs and that it is subject to such additional restrictions as may be contained in any required Investor Representation Letter or applicable supplement to the Base Prospectus, in the case of U.S. Securities issued by BNPP B.V., and it is aware, and each beneficial owner of such U.S. Securities has been advised, that any sale or transfer to it is being made in reliance on Rule 144A or (b) in the case of the issue or transfer of U.S. Securities to or for a person who takes delivery in the form of a Private Placement Definitive Security, it is (I) an AI, purchasing (or holding) such U.S. Security for its own account or for the account of one or more AIs and it is aware, and each beneficial owner of such U.S. Security has been advised, that any sale or transfer to it is being made in reliance on an exemption from the registration requirements of the Securities Act, in the case of U.S. Securities issued by BNPP or (II) a QIB and QP, purchasing (or holding) such U.S. Security for its own account or for the account of one or more QIBs who are QPs, it is aware, and each beneficial owner of such U.S. Security has been advised that any sale or transfer to it is being made in reliance on the exemption from registration under Rule 144A, and that it is subject to such additional restrictions as may be contained in any required Investor Representation Letter or applicable U.S. wrapper to the Base Prospectus, in the case of U.S. Securities issued by BNPP B.V., and, in either case it has delivered an Investor Representation Letter or (c) in the case of the issue or transfer of a U.S. Security to or for a person who takes delivery in the form of U.S. Securities represented by a Regulation S Global Security, it is outside the United States and is not (I) a "U.S. person" as defined in Regulation S under the Securities Act ("**Regulation S**"); or (II) a person other than a "Non-United States person" as defined in Rule 4.7 under the United States Commodity Exchange Act, as amended (the "**Commodity Exchange Act**"); or (III) a "U.S. person" as defined in the Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations promulgated by the Commodity Futures Trading Commission (the "**CFTC**"); or (IV) any other "U.S. person" as such term may be defined in Regulation S or in regulations or guidance adopted under the Commodity Exchange Act (each such person, a "**U.S. person**"), and it is aware, and each beneficial owner of such U.S. Securities has been advised, that any sale or transfer to it is being made in reliance on Regulation S and pursuant to CFTC regulations and guidance;
- (ii) that in issuing a U.S. Security linked to any Relevant Asset, the Issuer is not making, and has not made, any representations whatsoever as to the Relevant Asset or any information contained in any document filed by the issuer of such Relevant Asset with any exchange or with any governmental entity regulating the purchase and sale of securities or a U.S. Security linked to any Relevant Asset;
- (iii) that BNPP and any Affiliate of BNPP may, whether by virtue of the types of relationships described above or otherwise, at the date hereof or at any time hereafter be in possession of information in relation to the issuer of a Relevant Asset which is or may be material in the context of an issue of U.S. Securities linked to such Relevant Asset and which is or may not be known to the general public or any Holder. U.S. Securities linked to any Relevant Asset do not create any obligation on the part of BNPP or any Affiliate to disclose to any Holder any such relationship or information (whether or not confidential) and neither BNPP nor any other

Affiliate of BNPP shall be liable to any Holder by reason of such non-disclosure. No such information has been used in the selection of any issuer of a Relevant Asset for any U.S. Securities linked to any Relevant Asset;

- (iv) that BNPP and any Affiliate of BNPP may have existing or future business relationships with the issuer of a Relevant Asset (including, but not limited to, lending, depositary, risk management advisory or banking relationships), and will pursue actions and take steps that it deems or they deem necessary or appropriate to protect its or their interests arising therefrom without regard to the consequences for a Holder of a U.S. Security linked to the issuer of a Relevant Asset;
- (v) that the market value of U.S. Securities linked to the issuer of a Relevant Asset may be adversely affected by movements in the value of the issuer of the Relevant Asset or in currency exchange rates;
- (vi) that the Settlement Amount in respect of any U.S. Security may be less than its issue price;
- (vii) that no U.S. Securities or Guarantees have been or will be registered under the Securities Act or any applicable U.S. state securities laws, and no U.S. Securities may be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below;
- (viii) if in the future it decides to resell, pledge or otherwise transfer the U.S. Securities or any beneficial interests in the U.S. Securities, it will do so only (a)(I) to a person whom the seller reasonably believes is a QIB purchasing (or holding) such U.S. Security for its own account or for the account of one or more QIBs in a transaction meeting the requirements of Rule 144A, or, if provided for in the Final Terms, to an AI pursuant to an exemption from registration under the Securities Act, in the case of U.S. Securities issued by BNPP or (II) to a person whom the seller reasonably believes is a QP and a QIB, purchasing (or holding) such U.S. Security for its own account or for the account of one or more QIBs who are QPs in a transaction meeting the requirements of Rule 144A and subject to such additional restrictions on transfer as may be contained in a required Investor Representation Letter or in any applicable U.S. wrapper to the Base Prospectus, in the case of U.S. Securities issued by BNPP B.V., (b) outside the United States to a non-U.S. person in compliance with Regulation S and CFTC regulations and guidance, (c) otherwise pursuant to an exemption from registration under the Securities Act (if available) or (d) pursuant to an effective registration statement under the Securities Act, in each case, in accordance with all applicable U.S. state securities laws and as provided in the applicable Final Terms;
- (ix) it will, and will require each subsequent Holder to, notify any purchaser or other transferee of U.S. Securities from it of the transfer restrictions referred to in paragraph (viii) above, if then applicable;
- (x) that U.S. Securities initially offered in the United States by BNPP to QIBs will be represented by a Rule 144A Global Security, that U.S. Securities offered by BNPP to AIs will be in the form of Private Placement Definitive Securities, that U.S. Securities initially offered in the United States by BNPP B.V. to QIBs who are QPs will be represented by a Rule 144A Global Security or in the form of Private Placement Definitive Securities, as indicated in any applicable U.S. wrapper to the Base Prospectus and that, in each such case, the U.S. Securities offered outside the United States to non-U.S. persons in reliance on Regulation S and pursuant to CFTC regulations and guidance will be represented by a Regulation S Global Security. Such U.S. Securities represented by a Regulation S Global Security may not be legally or beneficially owned at any time by any U.S. person;
- (xi) on each day from the date on which it acquires U.S. Securities through and including the date on which it disposes of its interests in such U.S. Securities, either that (a) it is not an "employee benefit plan" as defined in Section 3(3) of ERISA subject to Title I of ERISA, a "plan" as defined in Section 4975(e)(1) of the Code subject to Section 4975 of the Code (including without limitation, an individual retirement account), an entity whose underlying assets include the assets of any such employee benefit plan or plan by reason of Department

of Labor Regulation section 2510.3-10 (as modified by Section 3(42) of ERISA) or otherwise, or a governmental, church or non-U.S. plan which is subject to any non-U.S., federal, state or local law that is substantially similar to the provisions of Section 406 of ERISA or Section 4975 of the Code or (b) its purchase, holding and disposition of such U.S. Securities (including, if applicable, the receipt of any Guarantee or Entitlement) will not result in a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or, in the case of a governmental, church or non-U.S. plan, violation of any substantially similar non-U.S., federal, state or local law) unless an exemption is available with respect to such transactions and all the conditions of such exemption have been satisfied;

- (xii) that Rule 144A Global Securities issued by BNPP will bear a legend to the following effect unless otherwise agreed to by BNPP:

"THE SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY HAVE NOT BEEN REGISTERED AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"). SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED WITHOUT REGISTRATION UNDER THE SECURITIES ACT UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE. BNP PARIBAS, THE ISSUER OF THIS RULE 144A GLOBAL SECURITY (THE "ISSUER"), HAS NOT REGISTERED AS AN INVESTMENT COMPANY UNDER THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED. THE PURCHASER OR TRANSFEREE OF ANY SECURITY REPRESENTED BY THIS RULE 144A GLOBAL SECURITY ACKNOWLEDGES THE RESTRICTIONS ON THE TRANSFER OF THE SECURITIES SET FORTH BELOW AND AGREES THAT IT SHALL TRANSFER ANY SECURITY ONLY AS PROVIDED IN THE AGENCY AGREEMENT REFERRED TO HEREIN OR IN THE FINAL TERMS ATTACHED HERETO.

THE EXERCISE OR REDEMPTION OF THESE SECURITIES MAY BE RESTRICTED AS SET FORTH IN THE FINAL TERMS.

EACH HOLDER OF A BENEFICIAL INTEREST IN THE SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY SHALL BE DEEMED TO HAVE REPRESENTED WITH RESPECT TO ITSELF AND EACH ACCOUNT FOR WHICH IT IS PURCHASING THAT IT AND EACH HOLDER OF SUCH ACCOUNT IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A AND ACQUIRED SUCH INTEREST IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A. [ANY RESALE OR OTHER TRANSFER OF AN INTEREST IN THE SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY SHALL REQUIRE THE TRANSFEROR TO SUBMIT TO THE RELEVANT AGENT A CERTIFICATE OF TRANSFER, IN THE APPROPRIATE FORM SET FORTH IN SCHEDULE 8 OF THE AGENCY AGREEMENT REFERRED TO HEREIN, TOGETHER, IN THE CASE OF TRANSFERS TO AN ACCREDITED INVESTOR WITHIN THE MEANING OF RULE 501(a) OF REGULATION D UNDER THE SECURITIES ACT, WITH A DULY EXECUTED INVESTOR REPRESENTATION LETTER FROM THE RELEVANT TRANSFEREE, IN THE FORM SET FORTH IN SCHEDULE 9 OF THE AGENCY AGREEMENT REFERRED TO HEREIN]<sup>1</sup>. IF AT ANY TIME THE NEW YORK AGENT SUBSEQUENTLY DETERMINES OR IS SUBSEQUENTLY NOTIFIED BY THE ISSUER THAT THE HOLDER OF ANY INTEREST IN THE SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY WAS IN BREACH, AT THE TIME GIVEN, OF ANY REPRESENTATION OR AGREEMENT GIVEN BY SUCH HOLDER, THE PURPORTED TRANSFER SHALL BE ABSOLUTELY NULL AND VOID *AB INITIO* AND SHALL VEST NO RIGHTS IN THE PURPORTED TRANSFEREE (SUCH PURPORTED TRANSFEREE, A "DISQUALIFIED TRANSFEREE") AND THE LAST PRECEDING HOLDER OF SUCH INTEREST

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<sup>1</sup> To be included if the Final Terms provide for transfers to AIs



THAT WAS NOT A DISQUALIFIED TRANSFEREE SHALL BE RESTORED TO ALL RIGHTS AS A HOLDER THEREOF RETROACTIVELY TO THE DATE OF TRANSFER OF SUCH INTEREST BY SUCH HOLDER.

THE ACQUISITION OF U.S. SECURITIES BY, OR ON BEHALF OF, OR WITH THE ASSETS OF ANY "EMPLOYEE BENEFIT PLAN" SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR ANY "PLAN" SUBJECT TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), OR ANY ENTITY PART OR ALL OF THE ASSETS OF WHICH CONSTITUTE ASSETS OF ANY SUCH EMPLOYEE BENEFIT PLAN OR PLAN BY REASON OF DEPARTMENT OF LABOR REGULATION SECTION 2510.3-101 (AS MODIFIED BY SECTION 3(42) OF ERISA) OR OTHERWISE, OR ANY GOVERNMENTAL, CHURCH OR NON-U.S. PLAN SUBJECT TO NON-U.S., FEDERAL, STATE OR LOCAL LAW SUBSTANTIALLY SIMILAR TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF ERISA OR SECTION 4975 OF THE CODE IS PROHIBITED UNLESS THE PURCHASE, HOLDING AND SUBSEQUENT DISPOSITION OF U.S. SECURITIES (INCLUDING, IF APPLICABLE, THE RECEIPT OF ANY GUARANTEE OR ENTITLEMENT) WOULD NOT RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR UNDER SECTION 4975 OF THE CODE (OR IN THE CASE OF A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN, VIOLATION OF ANY SUBSTANTIALLY SIMILAR NON-U.S., FEDERAL, STATE OR LOCAL LAW).

IF REQUESTED BY THE ISSUER OR BY AN AGENT, THE PURCHASER OR TRANSFEREE AGREES TO PROVIDE THE INFORMATION NECESSARY TO DETERMINE WHETHER THE TRANSFER OF SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY IS PERMISSIBLE UNDER THE SECURITIES ACT.

THE SECURITIES AND RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR REALES AND OTHER TRANSFERS OF THE SECURITIES TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO THE RESALE OR TRANSFER OF RESTRICTED SECURITIES GENERALLY. BY THE ACCEPTANCE OF A SECURITY REPRESENTED BY THIS RULE 144A GLOBAL SECURITY, THE PURCHASER THEREOF SHALL BE DEEMED TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT.";

- (xiii) that Rule 144A Global Securities issued by BNPP B.V. will bear a legend to the following effect unless otherwise agreed to by BNPP B.V:

"NEITHER THE SECURITIES NOR THE GUARANTEE OF THESE SECURITIES ISSUED BY BNP PARIBAS (THE "GUARANTOR") REPRESENTED BY THIS RULE 144A GLOBAL SECURITY HAVE BEEN REGISTERED OR WILL BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"). SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED WITHOUT REGISTRATION UNDER THE SECURITIES ACT UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE. NEITHER BNP PARIBAS ISSUANCE B.V., THE ISSUER OF THIS RULE 144A GLOBAL SECURITY (THE "ISSUER"), NOR THE GUARANTOR, HAS REGISTERED AS AN INVESTMENT COMPANY UNDER THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "1940 ACT"). THE PURCHASER OR TRANSFEREE OF ANY SECURITY REPRESENTED BY THIS RULE 144A GLOBAL SECURITY ACKNOWLEDGES THE RESTRICTIONS ON THE TRANSFER OF THE SECURITIES SET FORTH BELOW AND AGREES THAT IT SHALL TRANSFER ANY SECURITY ONLY AS PROVIDED IN THE AGENCY AGREEMENT REFERRED TO HEREIN OR IN THE FINAL TERMS ATTACHED HERETO.



THE EXERCISE OR REDEMPTION OF THESE SECURITIES MAY BE RESTRICTED AS SET FORTH IN THE FINAL TERMS.

EACH HOLDER OF A BENEFICIAL INTEREST IN THE SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY SHALL BE DEEMED TO HAVE REPRESENTED WITH RESPECT TO ITSELF AND EACH ACCOUNT FOR WHICH IT IS PURCHASING THAT IT AND EACH HOLDER OF SUCH ACCOUNT IS (A) A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A AND ACQUIRED SUCH INTEREST IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A AND (B) (w) A QUALIFIED PURCHASER WITHIN THE MEANING OF SECTION 3(c) (7) OF THE 1940 ACT (x) WAS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE ISSUER (UNLESS EACH BENEFICIAL OWNER OF THE PURCHASER IS A QUALIFIED PURCHASER), (y) HAS RECEIVED THE NECESSARY CONSENT FROM ITS BENEFICIAL OWNERS IF THE PURCHASER IS A PRIVATE INVESTMENT COMPANY FORMED ON OR BEFORE APRIL 30, 1996 AND (z) IS NOT A PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS APPLICABLE, MAY DESIGNATE THE PARTICULAR INVESTMENT TO BE MADE, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE 1940 ACT EXEMPTION OR EXCLUSION.

ANY RESALE OR OTHER TRANSFER OF AN INTEREST IN THE SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY SHALL REQUIRE THE TRANSFEROR TO SUBMIT TO THE RELEVANT SECURITY AGENT A CERTIFICATE OF TRANSFER, IN THE FORM SET FORTH IN SCHEDULE 8 OF THE AGENCY AGREEMENT REFERRED TO HEREIN OR AS OTHERWISE PROVIDED BY THE ISSUER, TOGETHER WITH A DULY EXECUTED INVESTOR REPRESENTATION LETTER FROM THE RELEVANT TRANSFEREE, IN THE FORM SET FORTH IN SCHEDULE 9 OF THE AGENCY AGREEMENT REFERRED TO HEREIN OR AS OTHERWISE PROVIDED BY THE ISSUER. IF AT ANY TIME THE NEW YORK AGENT SUBSEQUENTLY DETERMINES OR IS SUBSEQUENTLY NOTIFIED BY THE ISSUER THAT THE HOLDER OF ANY INTEREST IN THE SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY WAS IN BREACH, AT THE TIME GIVEN, OF ANY REPRESENTATION OR AGREEMENT GIVEN BY SUCH HOLDER, THE PURPORTED TRANSFER SHALL BE ABSOLUTELY NULL AND VOID *AB INITIO* AND SHALL VEST NO RIGHTS IN THE PURPORTED TRANSFEREE (SUCH PURPORTED TRANSFEREE, A "DISQUALIFIED TRANSFEREE") AND THE LAST PRECEDING HOLDER OF SUCH INTEREST THAT WAS NOT A DISQUALIFIED TRANSFEREE SHALL BE RESTORED TO ALL RIGHTS AS A HOLDER THEREOF RETROACTIVELY TO THE DATE OF TRANSFER OF SUCH INTEREST BY SUCH HOLDER.

THE ACQUISITION OF U.S. SECURITIES BY, OR ON BEHALF OF, OR WITH THE ASSETS OF ANY "EMPLOYEE BENEFIT PLAN" SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR ANY "PLAN" SUBJECT TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), OR ANY ENTITY PART OR ALL OF THE ASSETS OF WHICH CONSTITUTE ASSETS OF ANY SUCH EMPLOYEE BENEFIT PLAN OR PLAN BY REASON OF DEPARTMENT OF LABOR REGULATION SECTION 2510.3-101 (AS MODIFIED BY SECTION 3(42) OF ERISA) OR OTHERWISE, OR ANY GOVERNMENTAL, CHURCH OR NON-U.S. PLAN SUBJECT TO NON-U.S., FEDERAL, STATE OR LOCAL LAW SUBSTANTIALLY SIMILAR TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF ERISA OR SECTION 4975 OF THE CODE IS PROHIBITED UNLESS THE PURCHASE, HOLDING AND SUBSEQUENT DISPOSITION OF U.S. SECURITIES (INCLUDING, IF APPLICABLE, THE RECEIPT OF ANY GUARANTEE OR ENTITLEMENT) WOULD NOT RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA

OR UNDER SECTION 4975 OF THE CODE (OR IN THE CASE OF A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN, VIOLATION OF ANY SUBSTANTIALLY SIMILAR NON-U.S., FEDERAL, STATE OR LOCAL LAW).

IF REQUESTED BY THE ISSUER OR BY A SECURITY AGENT, THE PURCHASER OR TRANSFEREE AGREES TO PROVIDE THE INFORMATION NECESSARY TO DETERMINE WHETHER THE TRANSFER OF SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY IS PERMISSIBLE UNDER THE SECURITIES ACT. THE SECURITIES AND RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR REALES AND OTHER TRANSFERS OF THE SECURITIES TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO THE RESALE OR TRANSFER OF RESTRICTED SECURITIES GENERALLY. BY THE ACCEPTANCE OF A SECURITY REPRESENTED BY THIS RULE 144A GLOBAL SECURITY, THE PURCHASER OR TRANSFEREE THEREOF SHALL BE DEEMED TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT. ";

- (xiv) that Private Placement Definitive Securities issued by BNPP will bear a legend to the following effect unless otherwise agreed to by BNPP:

"THIS SECURITY HAS NOT BEEN REGISTERED AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"). THIS SECURITY MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED WITHOUT REGISTRATION UNDER THE SECURITIES ACT UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE. BNP PARIBAS, THE ISSUER OF THIS SECURITY ("THE ISSUER"), HAS NOT REGISTERED AS AN INVESTMENT COMPANY UNDER THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED. THE PURCHASER OR TRANSFEREE OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, ACKNOWLEDGES THE RESTRICTIONS ON THE TRANSFER OF THIS SECURITY SET FORTH BELOW AND AGREES THAT IT SHALL TRANSFER THIS SECURITY ONLY AS PROVIDED IN THE AGENCY AGREEMENT REFERRED TO HEREIN OR IN THE FINAL TERMS ATTACHED HERETO.

THE EXERCISE OR REDEMPTION OF THESE SECURITIES MAY BE RESTRICTED AS SET FORTH IN THE FINAL TERMS. THIS SECURITY MAY ONLY BE TRANSFERRED, EXERCISED OR REDEEMED IN MINIMUM AMOUNTS OF U.S.\$250,000, AND THE REMAINING PORTION MUST BE AT LEAST U.S.\$250,000.

THE HOLDER OF THIS SECURITY SHALL BE REQUIRED TO REPRESENT WITH RESPECT TO ITSELF AND ANY ACCOUNT FOR WHICH IT IS PURCHASING THAT IT AND ANY HOLDER OF SUCH ACCOUNT IS AN ACCREDITED INVESTOR WITHIN THE MEANING OF RULE 501(a) OF REGULATION D UNDER THE SECURITIES ACT AND ACQUIRED SUCH INTEREST IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. ANY RESALE OR OTHER TRANSFER OF INTEREST IN THIS SECURITY SHALL REQUIRE THE TRANSFEROR TO SUBMIT TO THE RELEVANT AGENT A CERTIFICATE OF TRANSFER, IN THE APPROPRIATE FORM SET FORTH IN SCHEDULE 8 OF THE AGENCY AGREEMENT REFERRED TO HEREIN, TOGETHER, IN THE CASE OF A TRANSFER TO AN ACCREDITED INVESTOR, WITH A DULY EXECUTED INVESTOR REPRESENTATION LETTER FROM THE RELEVANT TRANSFEREE, IN THE FORM SET FORTH IN SCHEDULE 9 OF THE AGENCY AGREEMENT REFERRED TO HEREIN. IF AT ANY TIME THE DEFINITIVE AGENT SUBSEQUENTLY DETERMINES OR IS SUBSEQUENTLY NOTIFIED BY THE ISSUER THAT THE HOLDER OF ANY INTEREST IN THIS SECURITY WAS IN BREACH, AT THE TIME GIVEN, OF ANY REPRESENTATION OR AGREEMENT GIVEN BY SUCH HOLDER, THE PURPORTED TRANSFER SHALL BE ABSOLUTELY NULL AND

VOID *AB INITIO* AND SHALL VEST NO RIGHTS IN THE PURPORTED TRANSFEREE (SUCH PURPORTED TRANSFEREE, A "DISQUALIFIED TRANSFEREE") AND THE LAST PRECEDING HOLDER OF SUCH INTEREST THAT WAS NOT A DISQUALIFIED TRANSFEREE SHALL BE RESTORED TO ALL RIGHTS AS A HOLDER THEREOF RETROACTIVELY TO THE DATE OF TRANSFER OF SUCH INTEREST BY SUCH HOLDER.

THE ACQUISITION OF U.S. SECURITIES BY, OR ON BEHALF OF, OR WITH THE ASSETS OF ANY "EMPLOYEE BENEFIT PLAN" SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR ANY "PLAN" SUBJECT TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), OR ANY ENTITY PART OR ALL OF THE ASSETS OF WHICH CONSTITUTE ASSETS OF ANY SUCH EMPLOYEE BENEFIT PLAN OR PLAN BY REASON OF DEPARTMENT OF LABOR REGULATION SECTION 2510.3-101 (AS MODIFIED BY SECTION 3(42) OF ERISA) OR OTHERWISE, OR ANY GOVERNMENTAL, CHURCH OR NON-U.S. PLAN SUBJECT TO NON-U.S., FEDERAL, STATE OR LOCAL LAW SUBSTANTIALLY SIMILAR TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF ERISA OR SECTION 4975 OF THE CODE IS PROHIBITED UNLESS THE PURCHASE, HOLDING AND SUBSEQUENT DISPOSITION OF SUCH U.S. SECURITIES (INCLUDING, IF APPLICABLE, THE RECEIPT OF ANY GUARANTEE OR ENTITLEMENT) WOULD NOT RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR UNDER SECTION 4975 OF THE CODE (OR IN THE CASE OF A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN, VIOLATION OF ANY SUBSTANTIALLY SIMILAR NON-U.S., FEDERAL, STATE OR LOCAL LAW).

IF REQUESTED BY THE ISSUER OR BY AN AGENT, THE PURCHASER OR TRANSFEREE AGREES TO PROVIDE THE INFORMATION NECESSARY TO DETERMINE WHETHER THE TRANSFER OF THIS SECURITY IS PERMISSIBLE UNDER THE SECURITIES ACT.

IN CONNECTION WITH ANY TRANSFER, THE HOLDER WILL DELIVER TO THE DEFINITIVE AGENT SUCH OPINIONS OF COUNSEL, CERTIFICATES AND/OR OTHER INFORMATION AS IT MAY REASONABLY REQUIRE IN FORM REASONABLY SATISFACTORY TO IT AS PROVIDED FOR IN THE AGENCY AGREEMENT REFERRED TO HEREIN TO CONFIRM THAT THE TRANSFER COMPLIED WITH THE FOREGOING TRANSFER RESTRICTIONS AS PROVIDED FOR IN SUCH AGENCY AGREEMENT.

THIS SECURITY AND RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR REALES AND OTHER TRANSFERS OF THIS SECURITY TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO THE RESALE OR TRANSFER OF RESTRICTED SECURITIES GENERALLY. BY THE ACCEPTANCE OF THIS SECURITY, THE PURCHASER OR TRANSFEREE HEREOF SHALL BE DEEMED TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT.";

- (xv) that Private Placement Definitive Securities issued by BNPP B.V. will bear a legend to the following effect unless otherwise agreed to by BNPP B.V.:

"NEITHER THIS SECURITY NOR THE GUARANTEE OF THIS SECURITY ISSUED BY BNP PARIBAS (THE "GUARANTOR") HAS BEEN REGISTERED OR WILL BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"). THIS SECURITY MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED WITHOUT REGISTRATION UNDER THE SECURITIES ACT UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE. NEITHER BNP PARIBAS ISSUANCE B.V., THE ISSUER OF THIS SECURITY (THE "ISSUER"), NOR

THE GUARANTOR HAS REGISTERED AS AN INVESTMENT COMPANY UNDER THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "1940 ACT"). THE PURCHASER OR TRANSFEREE OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, ACKNOWLEDGES THE RESTRICTIONS ON THE TRANSFER OF THIS SECURITY SET FORTH BELOW AND AGREES THAT IT SHALL TRANSFER THIS SECURITY ONLY AS PROVIDED IN THE AGENCY AGREEMENT REFERRED TO HEREIN OR IN THE FINAL TERMS ATTACHED HERETO.

THE EXERCISE OR REDEMPTION OF THESE SECURITIES MAY BE RESTRICTED AS SET FORTH IN THE FINAL TERMS. THIS SECURITY MAY ONLY BE TRANSFERRED, EXERCISED OR REDEEMED IN MINIMUM APPLICABLE AMOUNTS OF U.S. \$250,000.

THE HOLDER OF THIS SECURITY SHALL BE REQUIRED TO REPRESENT WITH RESPECT TO ITSELF AND ANY ACCOUNT FOR WHICH IT IS PURCHASING THAT IT IS (A) A QUALIFIED INSTITUTIONAL, BUYER WITHIN THE MEANING OF RULE 144A AND ACQUIRED SUCH INTEREST IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A AND (B) (w) A QUALIFIED PURCHASER WITHIN THE MEANING OF SECTION 3(c) (7) OF THE 1940 ACT (x) WAS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE ISSUER (UNLESS EACH BENEFICIAL OWNER OF THE PURCHASER IS A QUALIFIED PURCHASER), (y) HAS RECEIVED THE NECESSARY CONSENT FROM ITS BENEFICIAL OWNERS IF THE PURCHASER IS A PRIVATE INVESTMENT COMPANY FORMED ON OR BEFORE APRIL 30, 1996 AND (z) IS NOT A PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS APPLICABLE, MAY DESIGNATE THE PARTICULAR INVESTMENT TO BE MADE, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE 1940 ACT EXEMPTION OR EXCLUSION.

ANY RESALE OR OTHER TRANSFER OF INTEREST IN THIS SECURITY SHALL REQUIRE THE TRANSFEROR TO SUBMIT TO THE RELEVANT SECURITY AGENT A CERTIFICATE OF TRANSFER, IN THE APPROPRIATE FORM SET FORTH IN SCHEDULE 8 OF THE AGENCY AGREEMENT REFERRED TO HEREIN OR AS OTHERWISE PROVIDED BY THE ISSUER, TOGETHER, WITH A DULY EXECUTED INVESTOR REPRESENTATION LETTER FROM THE RELEVANT TRANSFEREE, IN THE FORM SET FORTH IN SCHEDULE 9 OF THE AGENCY AGREEMENT REFERRED TO HEREIN OR AS OTHERWISE PROVIDED BY THE ISSUER. IF AT ANY TIME THE DEFINITIVE SECURITY AGENT SUBSEQUENTLY DETERMINES OR IS SUBSEQUENTLY NOTIFIED BY THE ISSUER THAT THE HOLDER OF ANY INTEREST IN THIS SECURITY WAS IN BREACH, AT THE TIME GIVEN, OF ANY REPRESENTATION OR AGREEMENT GIVEN BY SUCH HOLDER, THE PURPORTED TRANSFER SHALL BE ABSOLUTELY NULL AND VOID *AB INITIO* AND SHALL VEST NO RIGHTS IN THE PURPORTED TRANSFEREE (SUCH PURPORTED TRANSFEREE, A "DISQUALIFIED TRANSFEREE") AND THE LAST PRECEDING HOLDER OF SUCH INTEREST THAT WAS NOT A DISQUALIFIED TRANSFEREE SHALL BE RESTORED TO ALL RIGHTS AS A HOLDER THEREOF RETROACTIVELY TO THE DATE OF TRANSFER OF SUCH INTEREST BY SUCH HOLDER.

THE ACQUISITION OF U.S. SECURITIES BY, OR ON BEHALF OF, OR WITH THE ASSETS OF ANY "EMPLOYEE BENEFIT PLAN" SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR ANY "PLAN" SUBJECT TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), OR ANY ENTITY PART OR ALL OF THE ASSETS OF WHICH CONSTITUTE ASSETS OF ANY SUCH EMPLOYEE BENEFIT PLAN OR PLAN BY REASON OF DEPARTMENT OF LABOR REGULATION SECTION 2510.3-101 (AS MODIFIED BY SECTION 3(42) OF ERISA) OR OTHERWISE, OR ANY GOVERNMENTAL, CHURCH OR NON-U.S. PLAN SUBJECT TO NON-U.S., FEDERAL, STATE OR LOCAL LAW SUBSTANTIALLY SIMILAR TO THE FIDUCIARY

RESPONSIBILITY PROVISIONS OF ERISA OR SECTION 4975 OF THE CODE IS PROHIBITED UNLESS THE PURCHASE, HOLDING AND SUBSEQUENT DISPOSITION OF SUCH U.S. SECURITIES (INCLUDING, IF APPLICABLE, THE RECEIPT OF ANY GUARANTEE OR ENTITLEMENT) WOULD NOT RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR UNDER SECTION 4975 OF THE CODE (OR IN THE CASE OF A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN, VIOLATION OF ANY SUBSTANTIALLY SIMILAR NON-U.S., FEDERAL, STATE OR LOCAL LAW).

IF REQUESTED BY THE ISSUER OR BY A SECURITY AGENT, THE PURCHASER OR TRANSFEREE AGREES TO PROVIDE THE INFORMATION NECESSARY TO DETERMINE WHETHER THE TRANSFER OF THIS SECURITY IS PERMISSIBLE UNDER THE SECURITIES ACT.

THIS SECURITY AND RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR REALES AND OTHER TRANSFERS OF THIS SECURITY TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO THE RESALE OR TRANSFER OF RESTRICTED SECURITIES GENERALLY. BY THE ACCEPTANCE OF THIS SECURITY, THE PURCHASER OR TRANSFEREE HEREOF SHALL BE DEEMED TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT.";

- (xvi) that Regulation S Global Securities will bear a legend to the following effect unless otherwise agreed to by BNPP or BNPP B.V., as applicable:

"[THE SECURITIES REPRESENTED BY THIS REGULATION S GLOBAL WARRANT HAVE NOT BEEN REGISTERED AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"). SECURITIES REPRESENTED BY THIS REGULATION S GLOBAL WARRANT MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED WITHOUT REGISTRATION UNDER THE SECURITIES ACT UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE. BNP PARIBAS, THE ISSUER OF THIS REGULATION S GLOBAL WARRANT (THE "ISSUER"), HAS NOT REGISTERED AS AN INVESTMENT COMPANY UNDER THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "1940 ACT"). THE PURCHASER OR TRANSFEREE OF ANY SECURITY REPRESENTED BY THIS REGULATION S GLOBAL WARRANT ACKNOWLEDGES THE RESTRICTIONS ON THE TRANSFER OF THE SECURITIES SET FORTH BELOW AND AGREES THAT IT SHALL TRANSFER ANY SECURITY ONLY AS PROVIDED IN THE AGENCY AGREEMENT REFERRED TO HEREIN OR IN THE FINAL TERMS OR PRICING SUPPLEMENT, AS THE CASE MAY BE, ATTACHED HERETO.]"<sup>2</sup>

[NEITHER THE SECURITIES REPRESENTED BY THIS REGULATION S GLOBAL WARRANT NOR THE GUARANTEE OF THESE SECURITIES ISSUED BY BNP PARIBAS (THE "GUARANTOR") HAVE BEEN REGISTERED OR WILL BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"). SECURITIES REPRESENTED BY THIS REGULATION S GLOBAL WARRANT MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED WITHOUT REGISTRATION UNDER THE SECURITIES ACT UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE. NEITHER BNP PARIBAS ISSUANCE B.V., THE ISSUER OF THIS REGULATION S GLOBAL WARRANT (THE "ISSUER"), NOR THE GUARANTOR, HAS REGISTERED AS AN INVESTMENT COMPANY UNDER THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "1940 ACT"). THE PURCHASER OR TRANSFEREE OF ANY SECURITY REPRESENTED BY THIS REGULATION S GLOBAL WARRANT ACKNOWLEDGES THE RESTRICTIONS ON THE TRANSFER OF THE SECURITIES SET FORTH

<sup>2</sup>

Delete where BNPP B.V. is the Issuer.



BELOW AND AGREES THAT IT SHALL TRANSFER ANY SECURITY ONLY AS PROVIDED IN THE AGENCY AGREEMENT REFERRED TO HEREIN OR IN THE FINAL TERMS OR PRICING SUPPLEMENT, AS THE CASE MAY BE, ATTACHED HERETO.]<sup>3</sup>

THE SECURITIES REPRESENTED BY THIS REGULATION S GLOBAL WARRANT MAY NOT BE HELD OR EXERCISED BY OR ON BEHALF OF ANY PERSONS THAT ARE (I) A "U.S. PERSON" AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("REGULATION S"); OR (II) A PERSON OTHER THAN A "NON-UNITED STATES PERSON" AS DEFINED IN RULE 4.7 UNDER THE UNITED STATES COMMODITY EXCHANGE ACT, AS AMENDED (THE "COMMODITY EXCHANGE ACT"); OR (III) A "U.S. PERSON" AS DEFINED IN THE INTERPRETATIVE GUIDANCE AND POLICY STATEMENT REGARDING COMPLIANCE WITH CERTAIN SWAP REGULATIONS PROMULGATED BY THE COMMODITY FUTURES TRADING COMMISSION (THE "CFTC"); OR (IV) ANY OTHER "U.S. PERSON" AS SUCH TERM MAY BE DEFINED IN REGULATION S OR IN REGULATIONS OR GUIDANCE ADOPTED UNDER THE COMMODITY EXCHANGE ACT (EACH SUCH PERSON, A "U.S. PERSON").

EACH HOLDER OF A BENEFICIAL INTEREST IN THE SECURITIES REPRESENTED BY THIS REGULATION S GLOBAL WARRANT SHALL BE DEEMED TO HAVE REPRESENTED WITH RESPECT TO ITSELF AND EACH ACCOUNT FOR WHICH IT IS PURCHASING THAT IT AND EACH HOLDER OF SUCH ACCOUNT IS NOT A U.S. PERSON (AS DEFINED IN REGULATION S) AND THAT IT AND EACH SUCH HOLDER HAS ACQUIRED SUCH INTEREST IN A TRANSACTION MEETING THE REQUIREMENTS OF REGULATION S AND CFTC REGULATIONS AND GUIDANCE AND WILL NOT ENGAGE IN HEDGING TRANSACTIONS WITH REGARD TO THE SECURITIES UNLESS IN COMPLIANCE WITH THE SECURITIES ACT. [IN THE CASE OF TRANSFERS TO AN ACCREDITED INVESTOR WITHIN THE MEANING OF RULE 501(a) OF REGULATION D UNDER THE SECURITIES ACT, ANY RESALE OR OTHER TRANSFER OF AN INTEREST IN THE SECURITIES REPRESENTED BY THIS REGULATION S GLOBAL WARRANT SHALL, REQUIRE THE TRANSFEROR TO SUBMIT TO THE PRINCIPAL AGENT A TRANSFER CERTIFICATE, IN THE APPROPRIATE FORM SET FORTH IN SCHEDULE 8 OF THE AGENCY AGREEMENT REFERRED TO HEREIN, TOGETHER, WITH A DULY EXECUTED INVESTOR REPRESENTATION LETTER FROM THE RELEVANT TRANSFEREE, IN THE FORM SET FORTH IN SCHEDULE 9 OF THE AGENCY AGREEMENT REFERRED TO HEREIN (OR IN THE FORM ATTACHED TO THE FINAL TERMS OR PRICING SUPPLEMENT, AS THE CASE MAY BE).]<sup>4</sup> [ANY RESALE OR OTHER TRANSFER OF AN INTEREST IN THE SECURITIES REPRESENTED BY THIS REGULATION S GLOBAL WARRANT SHALL REQUIRE THE TRANSFEROR TO SUBMIT TO THE PRINCIPAL AGENT A TRANSFER CERTIFICATE, IN THE APPROPRIATE FORM SET FORTH IN SCHEDULE 8 OF THE AGENCY AGREEMENT REFERRED TO HEREIN, TOGETHER WITH A DULY EXECUTED INVESTOR REPRESENTATION LETTER FROM THE RELEVANT TRANSFEREE, IN THE FORM SET FORTH IN SCHEDULE 9 OF THE AGENCY AGREEMENT REFERRED TO HEREIN (OR IN THE FORM ATTACHED TO THE FINAL TERMS OR PRICING SUPPLEMENT, AS THE CASE MAY BE).]<sup>5</sup> IF AT ANY TIME THE PRINCIPAL AGENT SUBSEQUENTLY DETERMINES OR IS SUBSEQUENTLY NOTIFIED BY THE ISSUER THAT THE HOLDER OF ANY INTEREST IN THE SECURITIES REPRESENTED BY THIS REGULATION S GLOBAL WARRANT WAS IN BREACH, AT THE TIME GIVEN, OF ANY REPRESENTATION OR AGREEMENT GIVEN BY SUCH HOLDER, THE PURPORTED TRANSFER SHALL BE ABSOLUTELY NULL AND VOID *AB INITIO* AND SHALL VEST NO RIGHTS IN THE PURPORTED TRANSFEREE (SUCH PURPORTED TRANSFEREE, A

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<sup>3</sup> Delete if BNPP is the Issuer.

<sup>4</sup> To be included if the Final Terms provide for transfers to AIs. Delete if BNPP B.V. is the Issuer.

<sup>5</sup> Delete if BNPP Paribas is the Issuer.

"DISQUALIFIED TRANSFEREE") AND THE LAST PRECEDING HOLDER OF SUCH INTEREST THAT WAS NOT A DISQUALIFIED TRANSFEREE SHALL BE RESTORED TO ALL RIGHTS AS A HOLDER THEREOF RETROACTIVELY TO THE DATE OF TRANSFER OF SUCH INTEREST BY SUCH HOLDER.

[THE ACQUISITION OF U.S. SECURITIES BY, OR ON BEHALF OF, OR WITH THE ASSETS OF ANY "EMPLOYEE BENEFIT PLAN" SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR ANY "PLAN" SUBJECT TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), OR ANY ENTITY PART OR ALL OF THE ASSETS OF WHICH CONSTITUTE ASSETS OF ANY SUCH EMPLOYEE BENEFIT PLAN OR PLAN BY REASON OF DEPARTMENT OF LABOR REGULATION SECTION 2510.3-101 (AS MODIFIED BY SECTION 3(42) OF ERISA) OR OTHERWISE, OR ANY GOVERNMENTAL, CHURCH OR NON-U.S. PLAN SUBJECT TO NON-U.S., FEDERAL, STATE OR LOCAL LAW SUBSTANTIALLY SIMILAR TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF ERISA OR SECTION 4975 OF THE CODE IS PROHIBITED.]

IF REQUESTED BY THE ISSUER OR BY AN AGENT, THE PURCHASER OR TRANSFEREE AGREES TO PROVIDE THE INFORMATION NECESSARY TO DETERMINE WHETHER THE TRANSFER OF SECURITIES REPRESENTED BY THIS REGULATION S GLOBAL WARRANT IS PERMISSIBLE UNDER THE SECURITIES ACT.

THE SECURITIES AND RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR REALES AND OTHER TRANSFERS OF THE SECURITIES TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO THE RESALE OR TRANSFER OF RESTRICTED SECURITIES GENERALLY. THE PURCHASER OR TRANSFEREE OF SECURITIES REPRESENTED BY THIS REGULATION S GLOBAL WARRANT SHALL BE DEEMED TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT.";

- (xvii) that BNPP, BNPP B.V. and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify BNPP or BNPP B.V., as the case may be; and if it is acquiring any U.S. Securities as a fiduciary or agent for one or more accounts it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.
- (xviii) AIs who purchase U.S. Securities are required to execute and deliver to the Definitive Agent or the Definitive Certificate Agent, as the case may be, an Investor Representation Letter. Upon execution and delivery of an Investor Representation Letter by an AI, Private Placement Definitive Securities will be issued.

The Investor Representation Letter that AIs purchasing securities from BNPP are required to sign will state, among other things, the following:

- (a) that the AI or an investment advisor acting on its behalf has reviewed a copy of this Base Prospectus and the Final Terms relating to the Securities, including, without limitation, the risk factors relating to the Securities, and such other information as it deems necessary in order to make its investment decision;
- (b) that the AI is acquiring the Securities purchased by it for its own account or for one or more accounts (each of which is an AI) as to each of which it exercises sole investment discretion and has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account, and not with a view to any resale, distribution or other disposition of the Securities, subject,

nevertheless, to the understanding that the disposition of its property shall at all times be and remain within its control;

- (c) that the purchaser and each account for which it is acting is an AI within the meaning of Rule 501(a) of Regulation D under the Securities Act, and that it has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its investment in the Securities, and it and any accounts for which it is acting are each able to bear the economic risk of its or any such accounts' investment for an indefinite period of time;
- (d) that, on each day from the date on which it acquires the U.S. Securities through and including the date on which it disposes of its interests in such U.S. Securities, either that (a) the AI is not an "employee benefit plan" as defined in Section 3(3) of ERISA subject to Title I of ERISA, a "plan" (defined in Section 4975(e)(1) of the Code) subject to Section 4975 of the Code (including without limitation, an individual retirement account), an entity whose underlying assets include the assets of any such employee benefit plan or plan, or a governmental, church or non-U.S. plan which is subject to any non-U.S., federal, state or local law that is substantially similar to the provisions of Section 406 of ERISA or Section 4975 of the Code or (b) the AI's purchase, holding and disposition of such U.S. Securities (including, if applicable, the receipt of any Guarantee or Entitlement) will not result in a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or, in the case of a governmental, church or non-U.S. plan, violation of any substantially similar non-U.S., federal, state or local law) unless an exemption is available with respect to such transactions and all the conditions of such exemption have been satisfied;
- (e) that the AI understands that any subsequent transfer of the Securities is subject to certain restrictions and conditions set forth in this Base Prospectus and the Final Terms relating to the Securities (including those set out above) and that it agrees to be bound by, and not to resell, pledge or otherwise transfer the Securities except in compliance with such restrictions and conditions and the Securities Act;
- (f) that the AI is a sophisticated investor that, in the normal course of its business, invests in or purchases securities similar to the Securities and any Relevant Asset and has knowledge and experience in investment matters;
- (g) that the AI acknowledges that (a) it did not rely on any investigation that the Issuer, any of its Affiliates or any person acting on their behalf may have conducted with respect to any Relevant Asset or the issuer of any such Relevant Asset, and none of such persons has made any representation to it, express or implied, with respect to any such Relevant Asset and the issuer of any such Relevant Asset; (b) it conducted and relied on its own investigation with respect to the Relevant Asset; and (c) it received all information that it believes is necessary or appropriate in connection with any such Relevant Asset;
- (h) that the AI acknowledges that it assumes all economic risk of loss that may occur as a result of changes in the prices of the Securities and the Relevant Assets in accordance with the terms of the Securities, and that it will not look directly or indirectly on BNPP or its Affiliates to indemnify it for such loss, and that it expressly holds BNPP and its Affiliates harmless in respect of any such loss; and
- (i) that the AI acknowledges that BNPP and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements, and it agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify BNPP.



- (xix) QIBs who are QPs who purchase U.S. Securities are required to execute and deliver to BNPP B.V. an Investor Representation Letter and to comply with such other restrictions on transfer and other requirements as may be set forth in the Investor Representation Letter or in any applicable U.S. wrapper to the Base Prospectus.

## OFFERING AND SALE

No action has been or will be taken by BNPP B.V., BNPP or the Managers that would permit a public offering of any Securities or possession or distribution of any offering material in relation to any Securities in any jurisdiction where action for that purpose is required. No offers, sales, re-sales or deliveries of any Securities, or distribution of any offering material relating to any Securities, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and which will not impose any obligation on BNPP B.V., BNPP and/or the Managers.

### United States

None of the Securities, the Guarantees or, in the case of Physical Delivery Securities, the Entitlement to be delivered upon the exercise of such Securities has been, or will be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or any state securities laws, and trading in the Securities has not been approved by the Commodity Futures Trading Commission (the "**CFTC**") under the United States Commodity Exchange Act, as amended (the "**Commodity Exchange Act**"). None of the Issuers has registered as an investment company pursuant to the Investment Company Act. Unless otherwise specified in the applicable Final Terms, the Securities are being offered and sold in reliance on Regulation S under the Securities Act ("**Regulation S**"). No Securities of such series, or interests therein, may at any time be offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, a U.S. person and any offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery made, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. person will not be recognised. The Securities of such series may not be legally or beneficially owned at any time by any U.S. person and accordingly are being offered and sold outside the United States only to non-U.S. persons in reliance on Regulation S and pursuant to CFTC regulations and guidance.

As used herein, a "**U.S. person**" is (i) a "U.S. person" as defined in Regulation S; or (ii) a person other than a "Non-United States person" as defined in Rule 4.7 under the Commodity Exchange Act; or (iii) a "U.S. person" as defined in the Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations promulgated by the CFTC; or (iv) any other "U.S. person" as such term may be defined in Regulation S or in regulations or guidance adopted under the Commodity Exchange Act (each such person, a "**U.S. person**").

If specified in the applicable Final Terms, certain issues of Securities may be offered and sold in the United States. Such U.S. Securities may only be offered and sold (a) by BNPP to (I) persons reasonably believed to be QIBs in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A and/or (II) certain AIs in reliance upon an exemption from the registration requirements of the Securities Act or (b) by BNPP B.V. to persons reasonably believed to be a QIB and a QP in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A. In either such case, such U.S. Securities may concurrently be offered and sold to non-U.S. persons in offshore transactions in reliance on Regulation S. For further information on certain restrictions on resale, transfer, exercise and redemption, see "Notice to Purchasers and Holders of U.S. Securities and Transfer Restrictions". Offers and sales of U.S. Securities in the United States will be made only through broker-dealers who are registered as such under the Exchange Act.

Securities related to a specified interest in an exchange traded instrument or basket of interests in exchange traded instruments, a specified commodity or commodity index or basket of commodities and/or commodity indices, a specified interest rate or basket of interest rates or a specified inflation index or basket of inflation indices, a specified currency or basket of specified currencies, a specified fund share or unit or basket of fund shares or units, the credit of a specified reference entity or reference entities, a specified futures contract or basket of futures contracts, or Hybrid Warrants related to any of these asset classes, may not at any time be offered, sold, resold, held, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in the United States or to, by or for the account or benefit of, persons that are (i) "**U.S. persons**" as defined in Regulation S under the Securities Act; or (ii) a person other than "**Non-United States Persons**" as defined in Rule 4.7 under the Commodity Exchange Act; or (iii) a "**U.S. person**"

as defined in the Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations promulgated by the CFTC; or (iv) any other "**U.S. person**" as such term may be defined in Regulation S or in regulations or guidance adopted under the Commodity Exchange Act (each such person, a "**U.S. person**"), unless expressly provided for pursuant to any applicable U.S. wrapper to the Base Prospectus. Any such applicable U.S. wrapper may restrict the types of Securities that can be offered, sold, resold, held, traded, pledged, exercised, redeemed, transferred or delivered and the terms of such Securities.

U.S. Securities are being offered from time to time within the United States by the Issuers through BNP Paribas Securities Corp., a broker-dealer affiliate of the Issuers (the "**Initial Dealer**"), in the case of U.S. Securities offered by BNPP or BNPP B.V., or one or more other broker-dealers appointed by the Issuers from time to time (collectively with the Initial Dealer, the "**U.S. Dealers**"). The U.S. Securities may be sold to each U.S. Dealer at a discount, as principal, for resale to investors or other purchasers at varying prices related to prevailing market prices at the time of resale, to be determined by such U.S. Dealer or, if so agreed, at a fixed offering price. BNPP or BNPP B.V., as the case may be, will have the sole right to accept offers to purchase U.S. Securities and may reject any proposed purchase of U.S. Securities in whole or in part. Each U.S. Dealer will have the right, in its discretion reasonably exercised, to reject any proposed purchase of U.S. Securities through it in whole or in part.

Each of BNPP and BNPP B.V. has reserved the right to sell U.S. Securities through one or more other dealers in addition to the U.S. Dealers and directly to investors on its own behalf in those jurisdictions where it is authorised to do so. No commission will be payable by either Issuer to any of the relevant U.S. Dealers on account of sales of U.S. Securities made through such other dealers or directly by such Issuer.

In addition, the U.S. Dealers may offer the U.S. Securities they have purchased as principal to other dealers. The U.S. Dealers may sell U.S. Securities to any dealer at a discount and, unless otherwise specified in the applicable Final Terms, such discount allowed to any dealer will not be in excess of the discount to be received by such U.S. Dealer from the applicable Issuer. Unless otherwise indicated in the applicable Final Terms, any U.S. Securities sold to a U.S. Dealer as principal will be purchased by such U.S. Dealer at a price equal to 100 per cent. of the principal amount thereof less a percentage equal to the commission applicable to any agency sale of U.S. Securities of identical maturity, and may be resold by the U.S. Dealer to investors and other purchasers as described above. After the initial offering of U.S. Securities to be resold to investors and other purchasers, the offering price (in the case of U.S. Securities to be resold at a fixed offering price), the concession and discount may be changed.

Each of BNPP and BNPP B.V. has agreed to indemnify each relevant U.S. Dealer against, or to make contributions relating to, certain civil liabilities, including liabilities under the Securities Act.

The Initial Dealer has advised the Issuers that the Initial Dealer may make a market in the U.S. Securities; however, BNPP or BNPP B.V., as the case may be, cannot provide any assurance that a secondary market for the U.S. Securities will develop. After a distribution of a series of U.S. Securities is completed, because of certain regulatory restrictions arising from its affiliation with the applicable Issuer, the Initial Dealer may not be able to make a market in such series of U.S. Securities or, except on a limited, unsolicited basis, effect any transactions for the account of any customer in such series of U.S. Securities. Other broker-dealers unaffiliated with the applicable Issuer will not be subject to such prohibitions.

This Base Prospectus and any Final Terms may be used by Affiliates of the Issuers in connection with offers and sales related to secondary market transactions in the U.S. Securities. Such Affiliates may act as principal or agent in such transactions. Such sales will be made at prices related to prevailing prices at the time of a sale.

BNP Paribas Securities Corp., the Initial Dealer for the U.S. Securities offered hereby, is a subsidiary of BNPP and an Affiliate of BNPP B.V..

Each U.S. Dealer may be deemed to be an "underwriter" within the meaning of the Securities Act, and any discounts and commissions received by it and any profit realised by it on resale of the U.S. Securities may be deemed to be underwriting discounts and commissions.

Each purchaser of U.S. Securities offered hereby in making its purchase will be deemed to have represented and agreed with the applicable Issuer as set forth under "Notice to Purchasers and Holders of U.S. Securities and Transfer Restrictions" herein.

In connection with sales of U.S. Securities outside the United States, each relevant U.S. Dealer will be required to agree that, except as described in the preceding paragraph, it has not offered, sold or delivered, and will not offer, sell or deliver, any Securities within the United States or to, or for the account or benefit of, U.S. persons as part of its distribution at any time.

In addition, an offer or sale of such U.S. Securities within the United States by any dealer may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A or another available exemption under the Securities Act.

Terms used above that are defined in Rule 144A or Regulation S have the meanings given to them therein, as applicable.

Securities in bearer form that are debt for U.S. federal income tax purposes 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 United States persons, except in certain circumstances permitted by U.S. Treasury regulations. The applicable Final Terms will specify whether the provisions of U.S. Treas. Reg. Section 1.163-5(c)(2)(i)(C) (or any successor U.S. Treasury Regulation section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010) ("**TEFRA C**") apply or do not apply ("**TEFRA not applicable**") to the issuance of Securities. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and the Treasury regulations promulgated thereunder.

The Final Terms in respect of any U.S. Securities will set forth additional information relating to the offer, sale or distribution of U.S. Securities.

The issuance of the Securities which constitute Secured Securities was not designed to comply with the U.S. Risk Retention Rules other than the "foreign safe harbor" exemption under the U.S. Risk Retention Rules, and no other steps have been taken by the Issuer, BNPP, any Manager or any of their affiliates or any other party to accomplish such compliance.

As part of the initial distribution of the Securities of each Series which constitute Secured Securities, such Securities may not be purchased by any person except for persons that are not "U.S. persons" as defined in the U.S. Risk Retention Rules, or "**Risk Retention U.S. Persons**". "**U.S. Risk Retention Rules**" means Regulation RR (17 C.F.R Part 246) implementing the risk retention requirements of Section 15G of the U.S. Securities Exchange Act of 1934, as amended. Prospective investors should note that, although the definition of "U.S. person" in the U.S. Risk Retention Rules is very similar to the definition of "U.S. person" in Regulation S, there are substantial differences between the two definitions and that persons who are not "U.S. persons" under Regulation S may be "U.S. persons" under the U.S. Risk Retention Rules.

Each purchaser of Securities which constitute Secured Securities, including beneficial interests in such Securities shall be deemed to have made the following representations: that it (1) is not a Risk Retention U.S. Person, (2) is acquiring such Securities or a beneficial interest in such Securities for its own account and not with a view to distribute such Securities, or, in the case of a distributor, will only distribute such Securities to a person which is not a Risk Retention U.S. Person, and (3) is not acquiring such Securities or a beneficial interest in such Securities as part of a scheme to evade the requirements of the U.S. Risk Retention Rules.

Notwithstanding the foregoing, the Issuer may sell a limited portion of such Securities to, or for the account or benefit of, Risk Retention U.S. Persons under an exemption from the U.S. Risk Retention Rules.

### European Economic Area

Please note that in relation to EEA States, additional selling restrictions may apply in respect of any specific EEA State, including those set out below in relation to Belgium, Denmark, Finland, France, Italy, Luxembourg, Norway, Portugal, Spain and Sweden.

From 1 January 2018, unless the Final Terms in respect of any Securities specifies "Prohibition of Sales to EEA Retail Investors – Selling Restriction" as not applicable, Securities which are the subject of the offering contemplated by the Base Prospectus as completed by the Final Terms in relation thereto may not be offered, sold or otherwise made available to any retail investor in the EEA. 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 2002/92/EC, 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 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.

Prior to 1 January 2018, and from that date if the Final Terms specifies "Prohibition of Sales to EEA Retail Investors – Selling Restriction" 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**"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") offers 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 may not be made except, with effect from and including the Relevant Implementation Date, offers of such Securities to the public in that Relevant Member State may be made:

- (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 those 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 that Non-exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Issuer or any Manager for any such offer; or

(d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Securities referred to in (b) to (d) above shall require the relevant Issuer 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, 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.

## **Australia**

This document and the offer of Warrants is only made available in Australia to persons to whom a disclosure document such as a prospectus or product disclosure statement is not required to be given under either Chapter 6D or Part 7.9 of the Corporations Act 2001 (Cth). This document is not a prospectus, product disclosure statement or any other form of formal "disclosure document" for the purposes of Australian Law, and is not required to, and does not, contain all the information which would be required in a product disclosure statement or prospectus under Australian law.

This document is only provided on the condition that the information in and accompanying this document is strictly for the use of prospective investors and their advisers only. Neither this document nor any extract or conclusion from this document may be provided to any other person in Australia without the written consent of the Issuer, which it may withhold in its absolute discretion. This document has not been and will not be lodged or registered with the Australian Securities and Investments Commission or the ASX Limited or any other regulatory body or agency in Australia. The persons referred to in this document may not hold Australian Financial Services licences. No cooling off regime applies to an acquisition of the Warrants. Under no circumstances is this document to be used by a retail client for the purpose of making a decision about a financial product.

This document contains general advice only and does not take into account the investment objectives, financial situation or needs of any particular person. Accordingly, before making an investment decision in relation to this document, you should assess whether the acquisition of the Warrants is appropriate in light of your own financial circumstances or seek professional advice.

An investor may not transfer or offer to transfer Warrants to any person located in, or a resident of Australia, unless the person is a person to whom a disclosure document such as a prospectus or product disclosure statement is not required to be given under either Chapter 6D or Part 7.9 of the Corporations Act 2001 (Cth). There may be restrictions on the offer for re-sale of any Warrants in Australia for a period of 12 months after their issue. Because of these restrictions, investors are advised to consult legal counsel prior to making any offer for re-sale of Warrants in Australia.

## **Belgium**

With regard to Securities having a maturity of less than 12 months (and which therefore fall outside the scope of the Prospectus Directive), this Prospectus has not been, and it is not expected that it will be, submitted for approval to the Belgian Financial Services and Markets Authority (*Autoriteit voor Financiële Diensten en Markten / Autorité des services et marchés financiers*) (the "**FSMA**"). Accordingly, no action will be taken that would be characterised as or result in a public offering of such Securities in Belgium in accordance with the Prospectus Law of 16 June 2006 on public offerings of investment instruments and the admission of investment instruments to trading on regulated markets, as amended or replaced from time to time.



In the case of Fund Linked Securities, the relevant underlying funds may not be registered in Belgium with the Belgian FSMA in accordance with the Belgian law of 3 August 2012 on the collective investment undertakings satisfying the conditions set out in Directive 2009/65/EC and undertakings for investment in receivables (the "**UCITS Law**") or the Belgian law of 19 April 2014 on alternative collective investment undertakings and their managers (the "**AIFM Law**"), as applicable, and, if so, the Fund Linked Securities cannot be offered publicly in Belgium unless Cash Settlement applies. The shares and other securities issued by such non-registered funds cannot be offered publicly in Belgium.

The Securities shall not be physically delivered in Belgium, except to a clearing system, a depository or other institution for the purpose of their immobilisation in accordance with Article 4 of the Belgian Law of 14 December 2005.

## **Denmark**

The Securities have not been offered or sold and may not be offered, sold or delivered directly or indirectly in Denmark, unless in compliance with Chapters 6 or 12 of the Danish Securities Trading Act, Consolidated Act No. 1530 of 12 February 2015 and the Danish Prospectus Executive Orders issued pursuant thereto all as amended from time to time.

## **France**

In the period beginning on the date of the approval by the *Autorité des marchés financiers* (the "**AMF**") of this Base Prospectus for the purposes of the Prospectus Directive, and ending at the latest on the date which is 12 months after the date of such approval, each Issuer and any Authorised Offeror of an issue of Securities may make an offer of Securities:

- (a) to the public in France, as defined in Article L.411-1 of the French *Code monétaire et financier* and in accordance with Articles L.412-1 and L.621-8 of the French *Code monétaire et financier* and the provisions of the *Règlement général* of the AMF; and/or
- (b) in circumstances that do not constitute an offer to the public in France pursuant to Article L.411-2 of the French *Code monétaire et financier* and Article 211-2 of the *Règlement général* of the AMF

Pursuant to Article L.411-2 of the French *Code monétaire et financier* and Article 211-2 of the *Règlement général* of the AMF, (in each case as may be amended from time to time), the circumstances in which an offer of Securities shall not constitute an offer to the public in France include, but are not limited to, an offer of Securities:

- (i) addressed solely to qualified investors (*investisseurs qualifiés*), acting for their own account; and/or
- (ii) addressed solely to a limited number of investors (*cercle restreint d'investisseurs*) acting for their own account; and/or
- (iii) addressed solely to providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*); and/or
- (iv) addressed to investors who acquire Securities for a total consideration of at least euro 100,000 (or its equivalent in another currency) per investor, for each separate offer; and/or
- (v) whose notional amount, nominal amount or equivalent amounts to at least euro 100,000 (or its equivalent in another currency); and/or
- (vi) with a total consideration of less than euro 100,000 (or its equivalent in another currency), which limit shall be calculated over a period of 12 months.

## Hong Kong

No person:

- (a) has offered or sold or will offer or sell in Hong Kong, by means of any document, any Securities (except for Securities which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong) other than (i) to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (b) has issued or had in its possession for the purposes of issue, or will issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Securities, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

## Hungary

In addition to the rules applicable to the European Economic Area as described above, in connection with any private placement in Hungary, (i) all investors are required to receive the same information which is material or necessary to the evaluation of the relevant Issuer's current market, economic, financial and legal situation and its expected development, including that which was discussed in any personal consultation with an investor, and (ii) the following standard wording is required to be included in all written communication in relation to the private placement:

"PURSUANT TO SECTION 18 OF ACT CXX OF 2001 ON THE CAPITAL MARKETS, THIS [NAME OF DOCUMENT] WAS PREPARED IN CONNECTION WITH A PRIVATE PLACEMENT IN HUNGARY."

## India

Additional provisions for use with Indian underliers

Each holder of Securities and each beneficial owner of a Warrant represents and warrants, as a condition to purchasing or owning such Warrants, that:

- (a) it is not:
  - (i) a "person resident in India" (as such term is defined in the Income Tax Act, 1961 ("**Income Tax Act**"), as may be amended or supplemented from time to time);
  - (ii) a "Non-Resident Indian" (as such term is defined in the Income Tax Act, as may be amended or supplemented from time to time);
  - (iii) Category II- unregulated broad based funds that are not appropriately regulated but whose investment manager is appropriately regulated (as such term is defined under Regulation (5)(b)(iii) of FPI Regulations), other than a "Grandfathered Client", which refers to an entity which was registered as a client eligible to subscribe for and hold Offshore Derivative Instruments ("**ODIs**") by the Issuer or its associates/affiliates or any other intermediary under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, including any entity which was registered but did not have positions, as on January 07, 2014; or



- (iv) Category III foreign portfolio investors (as such term defined under Regulation (5)(c) of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 (the "**FPI Regulations**"), other than a "Grandfathered Client" (each a "Restricted Entity").

Provided that it shall notify the Issuer immediately, as soon as it is registered as a Restricted Entity under clause (iii) and (iv) above, either consequent to filing of an application with a Designated Depository Participant (as defined under the FPI Regulations) or as a result of a re-categorization and shall take all steps as may be required by the Issuer, including, if required, to ensure that the ODI transaction is terminated immediately and in the manner required by the Issuer.

Provided further that the holder subscribing to the Warrants would not result in Restricted Entities under (iii) and (iv) above indirectly subscribing to or dealing in ODIs.

Provided further that, in case the holder is a Grandfathered Client then it:

- (i) undertakes and agrees to provide the Issuer with such information and documentary evidence (including, but not limited to documentary confirmation that the holder had subscribed to ODIs issued by other intermediaries, under the erstwhile Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995) ("**FII Regulations**") as may be requested by the Issuer to demonstrate that the holder is a Grandfathered Client;
  - (ii) confirms that there has been no change, and undertakes to inform the Issuer immediately of any change in the future, in the factors which led to it being eligible to subscribe for and hold ODIs in accordance with the FII Regulations, including but not limited to its status as a broad based fund or the regulated status of its investment manager or adviser;
  - (iii) undertakes that in the case a holder changes investment managers/advisers/sub-managers/sub-advisers (each, an "**Manager/Adviser Transfer**"), such holder shall issue a written notice to the Issuer in such form as the Issuer may determine thirty (30) Hong Kong business days prior to the Manager/Adviser Transfer; and
  - (iv) undertakes that with effect from 1 August 2016, the holder shall not take fresh ODI positions or renew, extend or rollover their existing ODI positions. For avoidance of doubt, it is clarified that the holder shall be permitted to hold existing ODI positions as of 31 July 2016, till the date of expiry of such positions or till 31 December 2020, whichever is earlier.
- (b) each holder is not a person/entity whose (i) controller is a Restricted Entity; or (ii) beneficial owner is a Restricted Entity under clause (i) and (ii) of paragraph (a). For these purposes, the term "beneficial owner" shall be as provided under sub rule (3) of Rule 9 of the Prevention of Money-laundering (Maintenance of Records) Rules, 2005 read with the SEBI Circular bearing ref no. CIR/IMD/FPI&C/59/2016 dated 10 June 2016 and the relevant provisions of the FPI Regulations, each as supplemented, amended and modified from time to time.
  - (c) each holder is not a person/entity whose controller is a Restricted Entity.

For the purposes of this representation, a "controller" means any person/entity or group of persons (acting pursuant to any agreement or understanding (whether formal or informal, written or otherwise)) that, in respect of a person/entity, who:

- (i) is/are entitled to exercise, or control the exercise of, a majority or more of the voting power of such person/entity, or
- (ii) holds or is otherwise entitled to a majority or more of the economic interest in such person/entity, or

- (iii) who in fact exercises control over such person/entity.

For the purposes of this representation, "control" includes the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner. However, a director or officer will not be considered to be in control, merely by virtue of holding such position.

Notwithstanding the foregoing definition, in the case only where a person's/entity's investments are being managed on a discretionary basis by an investment manager, such investment manager shall not be deemed to be such person's/entity's controller for the purposes of this representation by reason only of it being able to control the decision-making in relation to the person's/entity's financial, investment and/or operating policies.

- (d) it is an Eligible Entity, i.e. a "person regulated by an appropriate foreign regulatory authority" (as such term and/or requirements relating thereto are defined or otherwise interpreted by any Indian governmental or regulatory authority (each an "Authority") for the purposes of Regulation 22 of the FPI Regulations (as may be amended or supplemented from time to time)) or a person otherwise specifically identified by the Securities and Exchange Board of India as permitted to invest in ODIs.
- (e) the purchase or ownership of this Warrant or any interest in this Warrant has not been entered into with the intent of circumventing or otherwise avoiding any requirements applicable under any laws applicable in India (including, without limitation, the FPI Regulations and/or any other subsidiary regulations or circulars issued pursuant thereto (including, without limitation, any restrictions applying to foreign portfolio investors in relation to their issuances and/or other dealings in offshore derivative instruments (as such term is defined in the FPI Regulations) with, Restricted Entities and persons/entities who are not Eligible Entities) or laws governing dealing in the securities market, including the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003 and Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, each as amended from time to time, together with any modifications thereto or re-enactments thereof).
- (f) the holder:
  - (i) is a resident of a country whose securities market regulator is a signatory to International Organization of Securities Commission's Multilateral Memorandum of Understanding (Appendix A Signatories) or a signatory to bilateral Memorandum of Understanding with the Securities and Exchange Board of India ("SEBI") (as defined under the FPI Regulations);
  - (ii) being a bank, is a resident of a country whose central bank is a member of Bank for International Settlements;
  - (iii) is not resident in a country identified in the public statement of Financial Action Task Force as (i) a jurisdiction having a strategic Anti-Money Laundering or Combating the Financing of Terrorism deficiencies to which counter measures apply; or (ii) a jurisdiction that has not made sufficient progress in addressing the deficiencies or has not committed to an action plan developed with the Financial Action Task Force to address the deficiencies;
  - (iv) is legally permitted to invest in securities outside the country of its incorporation or establishment or place of business;
  - (v) is authorized by its Memorandum of Association and Articles of Association or equivalent documents or the agreement to transact in ODIs;

- (vi) is a fit and proper person based on the criteria specified in Schedule II of the Securities and Exchange Board of India (Intermediaries) Regulations, 2008;
  - (vii) has sufficient experience, good track record, is professionally competent, financially sound and has a generally good reputation of fairness and integrity; and
  - (viii) has not been restricted or constrained (including, without limitation, by any authority, regulator or court), from investing in its home country or overseas, or, convicted for any money laundering related offence;
  - (ix) does not have an opaque structure (as such term is defined in the FPI Regulations). As per the FPI Regulations, a holder satisfying the following criteria shall not be considered as having an opaque structure: (i) any ring fencing of assets and liabilities from other funds or sub-funds is required by its regulator or under any other applicable law; (ii) it is regulated in its home jurisdiction; (iii) each fund or sub fund, which will be making investments in India, satisfies the broad based fund criteria (as such term is defined in the FPI Regulations); and (iv) it undertakes to provide information regarding its beneficial owners as and when the Issuer or SEBI seeks this information, as the case may be.
  - (x) in case it is a multi class share vehicle by constitution and has more than one class of shares or an equivalent structure, either (i) maintains a common portfolio for all classes of shares and satisfies the broad based fund criteria (as such term is defined in the FPI Regulations), or (ii) maintains a segregated portfolio for separate classes of shares and ensures that the class of shares which will be making investments in India, satisfies the broad based fund criteria (as such term is defined in the FPI Regulations).
- (g) the holder will provide such information and documents (including in relation to any procedures on identification and verification of identity) as may be requested from time to time in relation to the beneficial owners as defined in paragraph (b) above. This requirement may include providing information on the following:
- (i) in case of companies (other than a company listed on a stock exchange or a subsidiary of such listed company), a person, who whether acting alone or together, or through one or more person, has ownership of or entitlement to more than 25 per cent. of shares or capital or profits of the company, or, exercises control through other means. For the purposes of this representation, "control" shall have the same meaning as set out in clause (a) of sub rule (3) of Rule 9 of the PML Rules.
  - (ii) in case of trusts, beneficiaries with 15 per cent. or more interest in the holder.
  - (iii) in case of partnership firms, a person who, whether acting alone or together, or through one or more person, has ownership of/entitlement to more than 15 per cent. of capital or profits of the partnership.
  - (iv) in case of unincorporated association or body of individuals, a person who, whether acting alone or together, or through one or more person, has ownership of or entitlement to more than 15 per cent. of the property or capital or profits of such association or body of individuals.
  - (v) in case no material shareholder/ beneficial owner is identified applying the above thresholds, the natural person who holds the position of senior managing official of the holder, the investment manager or the investment adviser or the investment controller, or, the person who controls the operations.
- (h) it shall ensure that investment (including, synthetically through ODIs) by each holder, whether directly in its own name as a foreign portfolio investor or as an ODI subscriber, or by entities in the "investor group" (as such term is defined in Paragraph 4.0 of the SEBI Circular dated January 8, 2014 on Operational Guidelines

for Designated Depository Participants) to which the holder belongs, in equity shares of each Indian company is below 10 per cent. of the total issued capital of the company and the holder shall provide information in this regard to the Issuer, as and when and in such form and manner as may be required;

- (i) the purchase or ownership of this Warrant or any interest in this Warrant does not violate any applicable laws (including, without limitation, any legislations, rules, regulations, notifications, circulars or guidelines), or, any orders or directives, which may be issued from time to time, including in relation to the eligibility and permissibility of each holder to transact in ODIs;
- (j) this Warrant or any interest in this Warrant has been purchased (and held) as a principal for the holder's own account and not as an agent, nominee, trustee or representative of any other person/entity and that the holder has not entered into any agreement or arrangement for the issuance of a back-to-back ODI against such Warrant;

Each holder of Warrants and each beneficial owner of a Warrant agrees and undertakes that:

- (A) it will not, directly or indirectly, sell, transfer, assign, novate or otherwise dispose of this Warrant or any interest in this Warrant to or for the benefit or account of any Restricted Entity;
- (B) it will not, directly or indirectly, sell, transfer, assign, novate or otherwise dispose of this Warrant or any interest in this Warrant to or for the benefit or account of any person/entity who is not an Eligible Entity;
- (C) it will obtain prior consent of the Issuer for any transfer, unless the person to whom the transfer is to be made is pre-approved by the Issuer;
- (D) it consents to the provision by the Issuer to any Authority of any information in its possession regarding it and the Warrants or its interest in the Warrants as the Issuer reasonably deems necessary or appropriate in order to comply with the regulations or requests of such Authority from time to time; and
- (E) it will, at its option, either:
  - (I) provide to the Issuer such additional information as the Issuer reasonably deems necessary or appropriate in order to comply with regulations or requests of any Authority from time to time (the "**Additional Information**"); or (II) subject to such Authority accepting such direct provision, provide such Additional Information directly to such Authority and confirm to the Issuer that it has done so.
- (F) it agrees that in the event of any non-compliance with, or breach, violation or contravention by the holder of any of the terms set out herein, the Issuer may notify any Authority of any such breach, violation or contravention and exercise any rights and take any measures available to prevent, avoid, mitigate, remedy or cure such non-compliance, breach, violation or contravention.
- (G) it agrees that the Issuer may, to the extent required to comply with applicable laws, regulations, notifications, circulars, rules, guidelines, clarifications, directions, orders and/or decrees issued by a governmental or regulatory authority, by issuing a written notice to the holder, unilaterally modifying the restrictions set out herein after purchase of the Warrants and notifying the holder of the same, and such written notice shall be effective and deemed agreed and accepted by the holder when issued;
- (H) it undertakes to ensure that the specific requirements and obligations mentioned in the India side letter are satisfied and complied with; and
- (I) it undertakes to promptly notify the Issuer should any of the warranties, agreements, undertakings and representations set out herein, are breached, change or no longer hold true;

This document has not been and will not be registered as a prospectus either with the Registrar of Companies or with any other regulatory authority in India, and the holder will not circulate or distribute this document or any other offering document or material relating to the Warrants to any person in India.

## **Japan**

No Securities of any series have been or will be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the "**FIEA**") and Securities may not be offered or sold directly or indirectly in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act of Japan (Act No. 228 of 1949, as amended) or to others for re offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

## **Korea**

The Securities have not been and will not be registered with the Financial Services Commission of Korea for public offering in Korea under the Financial Investment Services and Capital Markets Act (the "**FSCMA**"). The Securities may not be offered, sold or delivered, directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law (the "**FETL**") and the decrees and regulations thereunder. The Securities may not be resold to Korean residents unless the purchaser of the Securities complies with all applicable regulatory requirements (including but not limited to government reporting requirements under the FETL and its subordinate decrees and regulations) in connection with the purchase of the Securities.

## **Norway**

The Securities have not been offered or sold and may not be offered, sold or delivered directly or indirectly in Norway, unless in compliance with Chapter 7 of the Norwegian Securities Trading Act ("**Securities Trading Act**"), Chapter 7 of Regulation no 876 of 29 June 2007 of the Securities Trading Act, and with respect to structured products, circular no 15 of 2006 issued by the Financial Supervisory Authority of Norway, all as amended from time to time.

## **The People's Republic of China**

The Securities may not be offered, sold or delivered, or offered or sold or delivered to any person for reoffering or resale or redelivery, in any such case directly or indirectly, in the People's Republic of China (the "**PRC**") (excluding Hong Kong, Macau and Taiwan) in contravention of any applicable laws or (if the Securities are linked to A-Shares (as defined below)) to any Domestic Investor as defined in the Administrative Rules of Securities Accounts of China Securities Depository and Clearing Corporation Limited.

"**A-Share**" means shares of the companies incorporated in the PRC that are listed on either the Shanghai Stock Exchange or the Shenzhen Stock Exchange and quoted in Renminbi.

The term "**Domestic Investor**" is defined in the Administrative Rules of Securities Accounts of China Securities Depository and Clearing Corporation Limited and includes the following:

- (a) PRC citizens resident in the PRC (excluding Hong Kong, Macau and Taiwan);
- (b) PRC citizens resident outside the PRC who are not permanent residents of another country or permanent residents of Hong Kong, Macau or Taiwan; and
- (c) Legal persons registered in the PRC (excluding Hong Kong, Macau and Taiwan).

"**Legal persons registered in the PRC**" excludes foreign entities incorporated or organised in other jurisdictions even though they may have an office (i.e. a branch) in the PRC.

"**PRC citizens**" used in the rules do not include persons who are permanent residents of Hong Kong, Macau or Taiwan.

"**Renminbi**" means the lawful currency of the PRC.

## **Republic of Italy**

Unless it is specified within the relevant Final Terms that a non-exempt offer may be made in Italy, the offering of the Securities has not been registered pursuant to Italian securities legislation and, accordingly, no Securities may be offered, sold or delivered, nor may copies of the Base Prospectus (including the applicable Final Terms) or of any other document relating to the Securities be distributed in the Republic of Italy, except:

- (a) to qualified investors (*investitori qualificati*), as defined pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (the "**Financial Services Act**") and Article 34-ter, first paragraph, letter *b*) of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time ("**Regulation No. 11971**"); or
- (b) in other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Financial Services Act and Article 34-ter of Regulation No. 11971.

Any offer, sale or delivery of the Securities or distribution of copies of the Base Prospectus (including the applicable Final Terms) or any other document relating to the Securities in the Republic of Italy under (a) or (b) above must:

- (i) be made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the "**Banking Act**"); and
- (ii) comply with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including the reporting requirements, where applicable, pursuant to Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian authority.

*Please note that in accordance with Article 100-bis of the Financial Services Act, where no exemption from the rules on public offerings applies under (a) and (b) above, Securities which are initially offered and placed in Italy or abroad to qualified investors only but in the following year are regularly ("sistematicamente") distributed on the secondary market in Italy to non-qualified investors become subject to the public offer and the prospectus requirement rules provided under the Financial Services Act and Regulation No. 11971. Failure to comply with such rules may result in the sale of such Securities being declared null and void and in the liability of the intermediary transferring the Securities for any damages suffered by such non-qualified investors.*

## **Portugal**

No offer of the Securities may be made in Portugal except under circumstances that will result in compliance with the rules concerning the marketing of such Securities and with the laws of Portugal generally.

In relation to Portugal, the Securities may not be offered to the public in Portugal, except that an offer of the Securities to the public in Portugal may be made:

- (a) in the period beginning on the date of publication of a prospectus in relation to the Securities which has been approved by the Portuguese Securities Exchange Commission ("**Comissão do Mercado de Valores Mobiliários**", or the "**CMVM**") in accordance with the Prospectus Directive or, where appropriate, published



in another Member State and notified to the CMVM all in accordance with Article 18 of the Prospectus Directive and ending on the date which is 12 months after the date of such publication;

- (b) at any time to any entities who are considered as qualified investors according to article 30 of the Portuguese Securities Code ("**Código dos Valores Mobiliários**"); and
- (c) at any time in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of the securities to the public" in relation to any Securities in Portugal 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 and the expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU) and includes any relevant implementing measures in Portugal.

### **Singapore**

This Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Base Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Securities may not be circulated or distributed, nor may the Securities be offered or sold or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 4A of the Securities and Futures Act (Chapter 289 of Singapore) (the "**SFA**") pursuant to Section 274 of the SFA, (ii) to a relevant person pursuant to Section 275(1) or any person pursuant to Section 275(1A) of the SFA and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Securities are subscribed or purchased under Section 275 by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

the shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Securities pursuant to an offer made under Section 275 of the SFA except:

- (1) to institutional investors (as defined in Section 4A of the SFA) or to a relevant person (as defined in Section 275(2) of the SFA), or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law; or
- (4) pursuant to Section 276(7) of the SFA or Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005.

### **Spain**

In addition to the selling restrictions under the Prospectus Directive in relation to EEA States, as stated above, when the offer is not strictly addressed to qualified investors (as described in the Prospectus Directive) in the Kingdom of Spain,

any offer sale or delivery of the Securities, must be made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Kingdom of Spain in accordance with the Royal Legislative Decree 4/2015 of 23 October, approving the revised text of the Spanish Securities Market.

#### **Sweden**

Any offer for subscription or purchase or invitations to subscribe for or buy or sell any Securities or distribution of any draft or final document in relation to any such offer, invitation or sale in Sweden will only be made in circumstances which will not result in a requirement to prepare a prospectus pursuant to the provisions of the Swedish Financial Instruments Trading Act (Sw. Lag (1991:980) om handel med finansiella instrument).

#### **Taiwan**

The Securities may not be sold offered or issued to Taiwan resident investors or in Taiwan unless they are made available, (i) outside Taiwan for purchase by such investors outside Taiwan so long as no solicitation or other activities take place (A) in Taiwan or (B) otherwise in violation of any applicable Taiwan law or regulation and/or (ii) in Taiwan through bank trust departments, licensed securities brokers and/or insurance company investment linked insurance policies pursuant to the Taiwan Rules Governing Offshore Structured Products under which rules the Securities have been registered in Taiwan or other applicable Taiwan law or regulation.

#### **Thailand**

This Base Prospectus has not been approved by or filed with the Securities and Exchange Commission or any other regulatory authority of the Kingdom of Thailand. Accordingly, the Securities may not be offered or sold, or this Base Prospectus or any other documents relating to the offer of the Securities be distributed, directly or indirectly, to any person in Thailand except under circumstances which will result in compliance with all applicable laws, regulations and guidelines promulgated by the Thai government and regulatory authorities in effect at the relevant time.



## GENERAL INFORMATION

### 1. Authorisation

The establishment of the Programme was approved by resolutions of the Board of Directors of BNPP B.V. dated 8 May 2003. The update of the Programme and the issue of Securities under the Programme were approved by resolutions of the Board of Directors of BNPP B.V. dated 31 May 2017. No authorisation procedures are required of BNPP by French law for the update of the Programme or the giving of the Guarantees.

### 2. Approval and Listing

This Base Prospectus has received visa n°17-263 on 7 June 2017 from the **AMF**.

Application has also been made to Euronext Paris for Securities issued under the Programme to be admitted to trading on Euronext Paris and to admit the Securities for trading described herein on the regulated market of Euronext Paris and to be listed on Euronext Paris and application may be made to list Securities on other stock exchanges as set out in the applicable Final Terms and, if relevant, the applicable Final Terms will include information on the relevant Market segment of the stock exchange on which the securities are to be listed.

### 3. Notification

Each Issuer may request the AMF to provide the competent authority of any EEA State with a certificate of approval attesting that this Base Prospectus has been drawn up in accordance with Article 212-2 of its *Règlement Général*.

### 4. Documents Available

From the date hereof and so long as Securities are capable of being issued under the Programme, copies of the following documents will, when published, be available for inspection at the specified office for the time being in Luxembourg of BNP Paribas Securities Services, Luxembourg Branch and at the specified office for the time being in Paris of BNP Paribas Arbitrage S.N.C.:

- (i) copies of the Statuts of BNPP;
- (ii) copies of the constitutional documents of BNPP B.V. and BNP Paribas;
- (iii) the audited annual consolidated financial statements of BNPP for the years ended 31 December 2015 and 31 December 2016;
- (iv) the audited annual non-consolidated financial statements of BNPP B.V. for the years ended 31 December 2015 and 31 December 2016 (BNPP B.V. does not produce consolidated annual reports);
- (v) the most recently published audited annual consolidated financial statements and unaudited semi-annual consolidated financial statements and quarterly results of BNPP;
- (vi) the most recently published unaudited semi-annual interim non-consolidated financial statements of BNPP B.V. (BNPP B.V. does not produce consolidated semi-annual reports);
- (vii) copies of the Guarantees;
- (viii) the Agency Agreement (which contains the forms of the English Law Global Securities), a Spanish agency agreement between BNPP B.V., BNP Paribas Securities Services S.A. and BNP Paribas Securities Services, Branch in Spain dated on or about 28 June 2013;

- (ix) this Base Prospectus;
- (x) the BNPP 2015 Registration Document (in English);
- (xi) the BNPP 2016 Registration Document (in English); and
- (xii) the First Update to the BNPP 2016 Registration Document (in English).

In the case of (iii), (v), (x), (xi) and (xii) above, the documents are also available via BNPP's website: "[www.invest.bnpparibas.com](http://www.invest.bnpparibas.com)". In addition, copies of this Base Prospectus and any documents incorporated by reference in this Base Prospectus are available via BNPP's website: (<https://rates-globalmarkets.bnpparibas.com/gm/Public/LegalDocs.aspx>).

In addition, the Swedish Agency Agreement and the BNPP English Law Guarantee for Unsecured Securities will be available for inspection at the office of the Swedish Security Agency. The Finnish Agency Agreement and the BNPP English Law Guarantee for Unsecured Securities will be available for inspection at the office of the Finnish Security Agency specified in the applicable Final Terms. The Danish Agency Agreement and the BNPP English Law Guarantee for Unsecured Securities will be available for inspection at the office of the Danish Security Agency specified in the applicable Final Terms. Copies of the Euroclear Agreement and the BNPP English Law Guarantee for Unsecured Securities will be available from the specified office of the Euroclear Registrar.

#### 5. Material Adverse Change

There has been no material adverse change in the prospects of BNPP or the Group since 31 December 2016 (being the end of the last financial period for which audited financial statements have been published).

There has been no material adverse change in the prospects of BNPP B.V. since 31 December 2016 (being the end of the last financial period for which audited financial statements have been published).

#### 6. Legal and Arbitration Proceedings

Save as disclosed on pages 161 and 213 of the BNPP 2016 Registration Document (in English) and page 89 of the First Update to the BNPP 2016 Registration Document (in English), there have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which BNPP is aware), during the period covering at least the twelve (12) months prior to the date of this Base Prospectus which may have, or have had in the recent past, significant effects on BNPP and/or the Group's financial position or profitability.

There have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which BNPP B.V. is aware) during a period covering 12 months prior to the date of this Base Prospectus which may have, or have had in the recent past significant effects on BNPP B.V.'s financial position or profitability.

#### 7. Significant Change

There has been no significant change in the financial or trading position of BNPP or the Group since 31 December 2016 (being the end of the last financial period for which audited financial statements have been published).

There has been no significant change in the financial or trading position of BNPP B.V. since 31 December 2016 (being the end of the last financial period for which audited financial statements have been published).

#### 8. Material Contracts

Neither BNPP B.V. nor BNPP has entered into contracts outside the ordinary course of its respective business, which could result in the relevant Issuer being under an obligation or entitlement that is material to such Issuer's ability to meet its obligation to holders of Securities in respect of the Securities being issued.

9. Third Party Information

Information contained in this Base Prospectus which is sourced from a third party has been accurately reproduced and, as far as the relevant Issuer is aware and is able to ascertain from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The relevant Issuer has also identified the source(s) of such information.

10. Board of Directors

The members of the Board of Directors of BNPP are displayed on pages 30 to 40 of the BNPP 2016 Registration Document (in English) relating to BNPP which is incorporated by reference herein.

The "Description of BNPP B.V." above includes details of the Management Board of BNPP B.V.

11. Conflicts of Interests

To the knowledge of BNPP, the duties owed by the members of the Board of Directors of BNPP do not give rise to any potential conflicts of interests with such members' private interests or other duties.

The Management Board of BNPP B.V. does not have potential conflicts of interests, material to the issue of Securities, between any duties to BNPP B.V. and its interests or other duties.

12. Auditors

*BNPP*

The statutory auditors (*Commissaires aux comptes*) of BNPP are currently the following:

Deloitte & Associés was appointed as Statutory Auditor at the Annual General Meeting of 23 May 2012 for a six-year period expiring at the close of the Annual General Meeting called in 2018 to approve the financial statements for the year ending 31 December 2017. The firm was first appointed at the Annual General Meeting of 23 May 2006.

Deloitte & Associés is represented by Damien Leurent.

*Deputy:*

BEAS, 195, avenue Charles de Gaulle, Neuilly-sur-Seine (92), France, SIREN No. 315 172 445, Nanterre trade and companies register.

PricewaterhouseCoopers Audit was appointed as Statutory Auditor at the Annual General Meeting of 23 May 2012 for a six-year period expiring at the close of the Annual General Meeting called in 2018 to approve the financial statements for the year ending 31 December 2017. The firm was first appointed at the Annual General Meeting of 26 May 1994.

PricewaterhouseCoopers Audit is represented by Etienne Boris.

*Deputy:*

Anik Chaumartin, 63, Rue de Villiers, Neuilly-sur-Seine (92), France.

Mazars was appointed as Statutory Auditor at the Annual General Meeting of 23 May 2012 for a six-year period expiring at the close of the Annual General Meeting called in 2018 to approve the financial statements for the year ending 31 December 2017. The firm was first appointed at the Annual General Meeting of 23 May 2000.

Mazars is represented by Hervé Hélias.

*Deputy:*

Michel Barbet-Massin, 61 Rue Henri-Regnault, Courbevoie (92), France.

Deloitte & Associés, PricewaterhouseCoopers Audit, and Mazars are registered as Statutory Auditors with the Versailles Regional Association of Statutory Auditors, under the authority of the French National Accounting Oversight Board (*Haut Conseil du Commissariat aux Comptes*).

*BNPP B.V.*

In June 2012 Mazars Paardekooper Hoffman Accountants N.V. were appointed as the auditors of BNPP B.V. Mazars Paardekooper Hoffman Accountants N.V. are independent public accountants in the Netherlands registered with NBA (*Nederlandse Beroepsorganisatie van Accountants*).

The address of Mazars Paardekooper Hoffman Accountants N.V. is Delflandlaan 1, 1062 EA Amsterdam

The financial statements of BNPP B.V. for the years ending 31 December 2015 and 31 December 2016 have been audited without qualification by Mazars Paardekooper Hoffman Accountants N.V.

### 13. Clearing Systems

The English Law Securities represented by a Global Security have been accepted for clearance through Clearstream, Luxembourg, Euroclear, Clearstream, Frankfurt and Monte Titoli. The appropriate CUSIP, common code, ISIN and other relevant code for each issue of English Law Securities represented by a Global Security allocated by DTC, Clearstream, Luxembourg, Euroclear and Monte Titoli will be specified in the applicable Final Terms.

English Law securities represented by a Global Security which are to be listed in a regulated market in Spain shall be accepted for clearance through Iberclear.

CREST Dematerialised Securities will be issued and held in uncertificated form in accordance with the Uncertificated Securities Regulations 2001, including any modification or re-enactment thereof from time to time. Title to CREST Dematerialised Securities is recorded on the relevant operator register of eligible debt securities. The Operator is Euroclear UK & Ireland Limited.

The French Law Securities shall be accepted for clearance through Euroclear France, Euroclear and/or Clearstream, Luxembourg.

Swedish Dematerialised Securities will be accepted for clearing and registration in the Euroclear Sweden System.

Finnish Dematerialised Securities will be accepted for clearing and registration in the Euroclear Finland System.

Italian Dematerialised Securities will be accepted for clearance in Monte Titoli. Italian Dematerialised Securities will be issued in registered, uncertificated and dematerialised book-entry form into Monte Titoli (with registered office and principal place of business at Piazza degli Affari 6, 20123 Milan, Italy).

Danish Dematerialised Securities will be accepted for clearing and registration in the VP Denmark System.

If the Securities of any series are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

The address of Clearstream, Luxembourg is 42 avenue JF Kennedy, L-1855 Luxembourg.

The address of Euroclear Bank is 1 Boulevard du Roi Albert II B-1210 Brussels.

The address of Euroclear UK & Ireland Limited is 33 Cannon Street, London EC4M 5SB.

The address of Euroclear France is 113 rue Réaumur, F-75081 Paris-CEDEX 02.

The address of Euroclear Finland is Urho Kekkosen katu 5C, PO Box 1110, 00101 Helsinki, Finland.

The address of Euroclear Sweden is Box 7822, SE-103 97 Stockholm.

The address of Monte Titoli is Piazza degli Affari, 6, 20123 Milano.

The address of Iberclear is Plaza de la Lealtad, 28014 Madrid.

The address of Clearstream, Frankfurt is Mergenthalerallee 61, 65760 Eschborn, Germany

The address of VP Denmark is Weidekampsgade 14, P.O. Box 4040, 2300 Copenhagen S, Denmark.

14. Post-issuance information

Save as set out in the applicable Final Terms, the relevant Issuer will not provide post-issuance information in relation to any underlying in relation to any issue of Securities.

15. Dependence of BNPP upon other members of the BNPP Group

Subject to the following paragraph, BNPP is not dependent upon other members of the BNPP Group.

In April 2004, BNP Paribas SA began outsourcing IT Infrastructure Management Services to the BNP Paribas Partners for Innovation (BP<sup>2</sup>I) joint venture set up with IBM France at the end of 2003. BP<sup>2</sup>I provides IT Infrastructure Management Services for BNP Paribas SA and several BNP Paribas subsidiaries in France (including BNP Paribas Personal Finance, BP2S, and BNP Paribas Cardif), Switzerland, and Italy. In mid December 2011 BNP Paribas renewed its agreement with IBM France for a period lasting until end-2017. At the end of 2012, the parties entered into an agreement to gradually extend this arrangement to BNP Paribas Fortis as from 2013. The Swiss subsidiary was closed on 31 December 2016.

BP<sup>2</sup>I is under the operational control of IBM France. BNP Paribas has a strong influence over this entity, which is 50/50 owned with IBM France. The BNP Paribas staff made available to BP<sup>2</sup>I make up half of that entity's permanent staff, its buildings and processing centres are the property of the Group, and the governance in place provides BNP Paribas with the contractual right to monitor the entity and bring it back into the Group if necessary.

ISFS, is a fully-owned IBM subsidiary, which has changed its name to IBM Luxembourg, and handles IT Infrastructure Management for part of BNP Paribas Luxembourg's entities.

BancWest's data processing operations are outsourced to Fidelity Information Services ("FIS") for its core banking. The hosting and production operations are also located at FIS in Honolulu.

Cofinoga France's data processing is outsourced to SDDC, a fully-owned IBM subsidiary.

16. Capitalization of BNPP and the BNP Paribas Group

<b>BNP Paribas consolidated capitalization and medium and long term debt indebtedness over one year</b>		
<b>Group accounting method</b>		
In Millions of Euros	<b>BNP PARIBAS GROUP</b> 31 December 2016	<b>BNP PARIBAS GROUP</b> 31 March 2017
Debt securities at fair value through profit or loss	36,053	38,107
Debt securities measured at amortised cost	58,205	57,261
<b>Total Senior Preferred Debt.....</b>	<b>94,258</b>	<b>95,368</b>
Debt Securities measured at amortised cost	0	4,535
<b>Total Senior Non-Preferred Debt</b>	<b>0</b>	<b>4,535</b>
Redeemable subordinated debt measured at amortised cost	12,341	13,231
Undated subordinated notes measured at amortised cost	1,627	1,623
Undated participating subordinated notes measured at amortised cost	222	222
Redeemable subordinated debt at fair value through profit or loss	162	146
Perpetual subordinated debt at fair value through profit or loss <sup>6</sup>	588	669
Preferred shares and equivalent instruments	8,430	8,467
<b>Total Subordinated Debt</b>	<b>23,370</b>	<b>24,358</b>
Issued capital	2,494	2,496
Additional paid-in capital	24,454	24,370
Retained earnings	55,754	56,979
Unrealised or deferred gains and losses attributable to shareholders	6,169	5,504
<b>Total Shareholders' Equity and Equivalents with anticipation of dividends</b>	<b>88,871</b>	<b>89,349</b>
<b>Minority interests with anticipation of dividends.....</b>	<b>4,431</b>	<b>5,076</b>
<b>Total Capitalization and Medium-to-Long Term Indebtedness</b>	<b>210,930</b>	<b>218,686</b>

17. Events impacting the solvency of BNPP

To the best of BNPP's knowledge, there have not been any recent events which are to a material extent relevant to the evaluation of BNPP's solvency since 31 December 2016.

<sup>6</sup> Carrying amount of the cash, of which the amount eligible for Tier 1 is EUR 162 million in 2016 and 2017.

This Base Prospectus (together with supplements to this Base Prospectus from time to time (each a "**Supplement**" and together the "**Supplements**") comprises a base prospectus for the purposes of Article 5.4 of the Prospectus Directive. "**Prospectus Directive**" means Directive 2003/71/EC (as amended including by Directive 2010/73/EU) and includes any relevant implementing measure in a relevant Member State of the European Economic Area. In relation to each separate issue of Securities, the final offer price and the amount of such Securities will be determined by the Issuer and the relevant manager in accordance with prevailing market conditions at the time of the issue of the Securities and will be set out in the relevant Final Terms.

In accordance with Article 16.2 of the Prospectus Directive, investors who have already agreed to purchase or subscribe for Securities before this Base Prospectus is published have the right, exercisable within two working days after the publication of this Base Prospectus, to withdraw their acceptances. Investors should be aware, however, that the law of the jurisdiction in which they have accepted an offer of Securities may provide for a longer time limit.

No person is or has been authorised to give any information or to make any representation not contained in or not consistent with this document or any other information supplied in connection with the Programme or the Securities and, if given or made, such information or representation must not be relied upon as having been authorised by BNPP B.V., BNPP or any manager of an issue of Securities, including BNPP Securities Corp. (as applicable to such issue of Securities, each a "**Manager**"). This document does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation and no action is being taken to permit an offering of the Securities or the distribution of this document in any jurisdiction where any such action is required.

This document is to be read and construed in conjunction with all documents which are deemed to be incorporated herein by reference (see "*Documents Incorporated by Reference*" below).

The Securities are options exercisable by the relevant holder or which will be automatically exercised as provided herein. There is no obligation on the relevant Issuer to pay any amount or deliver any asset to any holder of a Security unless the relevant holder duly exercises such Security or such Securities are automatically exercised and, where applicable, an Exercise Notice is duly delivered. The Securities will be exercisable in the manner set forth herein and in the applicable Final Terms. The Securities will be settled by payment of the Cash Settlement Amount(s) (in the case of Cash Settled Securities) and/or by delivery of the Entitlement (in the case of Physically Settled Securities). In certain instances, the holder of a Security will be required to certify, *inter alia* (in accordance with the provisions outlined in Condition 25 of "*Terms and Conditions of the Securities*" below), that it is not (i) a "U.S. person" as defined in Regulation S; or (ii) a person other than a "Non-United States person" as defined in Rule 4.7 under the Commodity Exchange Act; or (iii) a "U.S. person" as defined in the Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations promulgated by the CFTC; or (iv) any other "U.S. person" as such term may be defined in Regulation S or in regulations or guidance adopted under the Commodity Exchange Act (each such person, with respect to such a Security, a "**U.S. person**") or exercising such Security on behalf of a U.S. person. Upon transfer, exchange or exercise of a U.S. Security (as defined in Condition 1 of "*Terms and Conditions of the Securities*" below), the holder will, in certain circumstances, be required to certify that the transfer, exchange or exercise, as the case may be, is being made to, or on behalf of, a person whom the holder reasonably believes is not a U.S. person or, in the case of U.S. Securities issued by BNPP, is a QIB or an AI, and in the case of U.S. Securities issued by BNPP B.V., is a QIB who is also a QP, as applicable, who acquired the right to such transfer, exchange or the benefit of such exercise in a transaction exempt from the registration requirements of the Securities Act. The proposed transferee may also be required to deliver an investment letter as a condition precedent to such proposed transfer or exchange (in accordance with the provisions outlined in Condition 2.4 of "*Terms and Conditions of the Securities*" below).

The Securities of each issue may be sold by the relevant Issuer and/or any Manager at such time and at such prices as the Issuer and/or the Manager(s) may select. There is no obligation upon the relevant Issuer or any Manager to sell all of the Securities of any issue. The Securities of any issue may be offered or sold from time to time in one or more



transactions in the over-the-counter market or otherwise at prevailing market prices or in negotiated transactions, at the discretion of the relevant Issuer.

Subject to the restrictions set forth herein, each Issuer shall have complete discretion as to what type of Securities it issues and when.

No Manager has independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by any Manager as to the accuracy or completeness of the information contained in this Base Prospectus or any other information provided by BNPP B.V. and/or BNPP. The Manager(s) accept no liability in relation to the information contained in this Base Prospectus or any other information provided by BNPP B.V. and/or BNPP in connection with the Programme.

BNPP B.V. and BNPP have not investigated, and do not have access to information that would permit them to ascertain, whether any company that has issued equity, debt or other instruments to which any U.S. Securities relate is a passive foreign investment company for U.S. tax purposes. Prospective investors in any U.S. Securities that are U.S. taxpayers should consult their own advisers concerning U.S. tax considerations relevant to an investment in such U.S. Securities.

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Securities (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by BNPP B.V., BNPP or any Manager that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Securities should purchase any Securities. Each investor contemplating purchasing any Securities should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of BNPP B.V. and/or BNPP. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Securities constitutes an offer or an invitation by or on behalf of BNPP B.V. and/or BNPP or the Managers or any other person to subscribe for or to purchase any Securities.

The delivery of this Base Prospectus does not at any time imply that the information contained herein concerning BNPP B.V. or BNPP is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. No Manager undertakes to review the financial condition or affairs of BNPP B.V. or BNPP during the life of the Programme. Investors should review, *inter alia*, the most recently published audited annual non-consolidated financial statements and interim financial statements of BNPP B.V. and/or the most recently published audited annual consolidated financial statements, unaudited semi-annual interim consolidated financial statements and quarterly financial results of BNPP, as applicable, when deciding whether or not to purchase any Securities.

## **IMPORTANT INFORMATION RELATING TO NON-EXEMPT OFFERS OF SECURITIES**

### **Restrictions on Non-exempt Offers of Securities in relevant Member States**

Certain issues of Securities with an issue price of less than €100,000 (or its equivalent in any other currency) may 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 as a "**Non-exempt Offer**". This Base Prospectus has been prepared on a basis that permits Non-exempt Offers of Securities in each Member State in relation to which the relevant Issuer has given its consent as specified in the applicable Final Terms (each specified Member State a "**Non-exempt Offer Jurisdiction**" and together the "**Non exempt Offer Jurisdictions**"). Any person making or intending to make a Non-exempt Offer of Securities on the basis of this Base Prospectus must do so only with the relevant Issuer's consent to the use of this Base Prospectus as provided under "*Consent given in accordance with Article 3.2 of the Prospectus Directive*" below and provided such person complies with the conditions attached to that consent.



Save as provided above, neither BNPP B.V. nor BNPP have authorised, nor do they authorise, the making of any Non-exempt Offer of Securities in circumstances in which an obligation arises for either BNPP B.V. or BNPP to publish or supplement a prospectus for such offer.

### **Consent given in accordance with Article 3.2 of the Prospectus Directive**

In the context of a Non-exempt Offer of Securities, BNPP B.V. and BNPP accept responsibility, in each of the Non-exempt Offer Jurisdictions, for the content of this Base Prospectus in relation to any person (an "**Investor**") who purchases any Securities in a Non-exempt Offer made by a Manager or an Authorised Offeror (as defined below), where that offer is made during the Offer Period specified in the applicable Final Terms and provided that the conditions attached to the giving of consent for the use of this Base Prospectus are complied with. The consent and conditions attached to it are set out under "*Consent*" and "*Common Conditions to Consent*" below.

Neither BNPP B.V. nor BNPP makes any representation as to the compliance by an Authorised Offeror with any applicable conduct of business rules or other applicable regulatory or securities law requirements in relation to any Non-exempt Offer and neither BNPP B.V. nor BNPP has any responsibility or liability for the actions of that Authorised Offeror.

**Except in the circumstances set out in the following paragraphs, neither BNPP B.V. nor BNPP has authorised the making of any Non-exempt Offer by any offeror and BNPP B.V. and BNPP have not consented to the use of this Base Prospectus by any other person in connection with any Non-exempt Offer of Securities. Any Non-exempt Offer made without the consent of the relevant Issuer is unauthorised and neither BNPP B.V. nor BNPP 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 Non-exempt Offer, an Investor is offered Securities by a person which is not an Authorised Offeror, the Investor should check with that person whether anyone is responsible for this Base Prospectus for the purposes of the relevant Non-Exempt Offer and, if so, who that person is. If the Investor is in any doubt about whether it can rely on this Base Prospectus and/or who is responsible for its contents it should take legal advice.

The financial intermediaries referred to in paragraphs (a)(ii), (a)(iii) and (b) below are together the "**Authorised Offerors**" and each an "**Authorised Offeror**".

### ***Consent***

In connection with each issue of Securities and subject to the conditions set out below under "*Common Conditions to Consent*":

#### ***Specific Consent***

- (a) each Issuer consents to the use of this Base Prospectus (as supplemented as at the relevant time, if applicable) in connection with a Non-exempt Offer of such Securities by:
  - (i) the relevant Manager(s) specified in the applicable Final Terms;
  - (ii) any financial intermediaries specified in the applicable Final Terms; and
  - (iii) any other financial intermediary appointed after the date of the applicable Final Terms and whose name is published on BNPP's website (<https://rates-globalmarkets.bnpparibas.com/gm/Public/LegalDocs.aspx>) (in the case of Securities issued by BNPP or BNPP B.V.) and identified as an Authorised Offeror in respect of the relevant Non-exempt Offer; and

## General Consent

- (b) if (and only if) Part A of the applicable Final Terms specifies "General Consent" as "Applicable", each Issuer hereby offers to grant its consent to the use of this Base Prospectus (as supplemented as at the relevant time, if applicable) in connection with a Non-exempt Offer of Securities by any other financial intermediary which satisfies the following conditions:
- (i) it is authorised to make such offers under applicable legislation implementing the Markets in Financial Instruments Directive (Directive 2004/39/EC); and
  - (ii) it accepts the relevant Issuer's offer to grant consent to the use of this Base Prospectus by publishing on its website the following statement (with the information in square brackets duly completed) (the "**Acceptance Statement**"):

*"We, [insert legal name of financial intermediary], refer to the offer of [insert title of relevant Securities] (the "**Securities**") described in the Final Terms dated [insert date] (the "**Final Terms**") published by [ ] (the "**Issuer**"). In consideration of the Issuer offering to grant its consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Securities in [specify Member State(s)] during the Offer Period and subject to the other conditions to such consent, each as specified in the Base Prospectus, we hereby accept the offer by the Issuer in accordance with the Authorised Offeror Terms (as specified in the Base Prospectus) and confirm that we are using the Base Prospectus accordingly."*

The "**Authorised Offeror Terms**", being the terms to which the relevant financial intermediary agrees in connection with using this Base Prospectus, are that the relevant financial intermediary:

- (A) will, and it agrees, represents, warrants and undertakes for the benefit of BNPP B.V. and BNPP that it will, at all times in connection with the relevant Non-exempt Offer:
  - I. act in accordance with, and be solely responsible for complying with, all applicable laws, rules, regulations and guidance of any applicable regulatory bodies (the "**Rules**") from time to time 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. comply with the restrictions set out under "*Offering and Sale*" in this Base Prospectus;
  - III. ensure that any fee (and any other commissions or benefits of any kind) or rebate received or paid by the relevant financial intermediary in relation to the offer or sale of the Securities does not violate the Rules and, to the extent required by the Rules, is fully and clearly disclosed to Investors or potential Investors;
  - IV. hold 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. comply with applicable anti-money laundering, anti-bribery, anti-corruption and "know your client" Rules (including, without limitation, taking appropriate steps, in compliance with such Rules, to establish and document the identity of each potential Investor prior to initial investment in any Securities by the Investor), and will not permit any application for Securities in circumstances where the financial intermediary has any suspicions as to the source of the application monies;

- VI. retain 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 BNPP B.V. and BNPP or directly to the appropriate authorities with jurisdiction over BNPP B.V. and BNPP in order to enable BNPP B.V. and BNPP to comply with anti-money laundering, anti-bribery, anti-corruption and "know your client" Rules applying to BNPP B.V. and BNPP;
- VII. ensure that it does not, directly or indirectly, cause BNPP B.V. or BNPP to breach any Rule or subject BNPP B.V. or BNPP to any requirement to obtain or make any filing, authorisation or consent in any jurisdiction;
- VIII. ensure that Investors understand the risks associated with an investment in the Securities;
- IX. immediately inform BNPP B.V. or BNPP if at any time it becomes aware or suspects that it is or may be in violation of any Rules and take all appropriate steps to remedy such violation and comply with such Rules in all respects;
- X. comply with the conditions to the consent referred to under "*Common conditions to consent*" below and any further requirements or other Authorised Offeror Terms relevant to the Non-exempt Offer as specified in the applicable Final Terms;
- XI. make available to each potential Investor in the Securities this Base Prospectus (as supplemented as at the relevant time, if applicable), the applicable Final Terms and any applicable information booklet provided by the relevant Issuer for such purpose, and not convey or publish any information that is not contained in or entirely consistent with this Base Prospectus and the applicable Final Terms;
- XII. if it conveys or publishes any communication (other than this Base Prospectus or any other materials provided to such financial intermediary by or on behalf of the relevant Issuer for the purposes of the relevant Non-exempt Offer) in connection with the relevant Non-exempt Offer, it will ensure that such communication (A) is fair, clear and not misleading and complies with the Rules, (B) states that such financial intermediary has provided such communication independently of the relevant Issuer, that such financial intermediary is solely responsible for such communication and that neither BNPP B.V. nor BNPP accepts any responsibility for such communication and (C) does not, without the prior written consent of BNPP B.V. or BNPP (as applicable), use the legal or publicity names of BNPP B.V. or BNPP 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, except to describe the relevant Issuer as issuer of the relevant Securities and, if applicable, the Guarantor as the guarantor of the relevant Securities on the basis set out in this Base Prospectus;
- XIII. ensure that no holder of Securities or potential Investor in Securities shall become an indirect or direct client of BNPP B.V. and BNPP for the purposes of any applicable Rules from time to time, and to the extent that any client obligations are created by the relevant financial intermediary under any applicable Rules, then such financial intermediary shall perform any such obligations so arising;
- XIV. co-operate with BNPP B.V. and BNPP in providing relevant information (including, without limitation, documents and records maintained pursuant to

paragraph (VI) above) and such further assistance as is reasonably requested upon written request from BNPP B.V. or BNPP, as applicable, in each case, as soon as is reasonably practicable and, in any event, within any time frame set by any such regulator or regulatory process. For this purpose, relevant information is information that is available to or can be acquired by the relevant financial intermediary:

- (i) in connection with any request or investigation by any regulator in relation to the Securities, BNPP B.V. or BNPP; and/or
- (ii) in connection with any complaints received by BNPP B.V. or BNPP relating to BNPP B.V. or BNPP or another Authorised Offeror including, without limitation, complaints as defined in the Rules; and/or
- (iii) which BNPP B.V. or BNPP may reasonably require from time to time in relation to the Securities and/or to allow BNPP B.V. or BNPP fully to comply with its own legal, tax and regulatory requirements;

XV. during the period of the initial offering of the Securities: (i) only sell the Securities at the Issue Price specified in the applicable Final Terms (unless otherwise agreed with the relevant Issuer and the relevant Manager); (ii) only sell the Securities for settlement on the Issue Date specified in the applicable Final Terms; (iii) not appoint any sub-distributors (unless otherwise agreed with the relevant Issuer and the relevant Manager); (iv) not pay any fee or remuneration or commissions or benefits to any third parties in relation to the offering or sale of the Securities (unless otherwise agreed with the relevant Issuer and the relevant Manager); and (v) comply with such other rules of conduct as may be reasonably required and specified by the relevant Issuer and the relevant Manager; and

XVI. either (i) obtain from each potential Investor an executed application for the Securities, or (ii) keep a record of all requests the relevant financial intermediary (x) makes for its discretionary management clients, (y) receives from its advisory clients and (z) receives from its execution-only clients, in each case prior to making any order for the Securities on their behalf, and in each case maintain the same on its files for so long as is required by any applicable Rules;

(B) agrees and undertakes to each of BNPP B.V. and BNPP that if it or any of its respective directors, officers, employees, agents, affiliates and controlling persons (each a "**Relevant Party**") incurs any losses, liabilities, costs, claims, charges, expenses, actions or demands (including reasonable costs of investigation and any defence raised thereto and counsel's fees and disbursements associated with any such investigation or defence) (a "**Loss**") arising out of or in relation to, or in connection with, any breach of any of the foregoing agreements, representations, warranties or undertakings by the relevant financial intermediary, including (without limitation) any unauthorised action by the relevant financial intermediary or failure by it to observe any of the above restrictions or requirements or the making by it of any unauthorised representation or the giving or use by it of any information which has not been authorised for such purposes by BNPP B.V. or BNPP, the relevant financial intermediary shall pay to BNPP B.V. or BNPP, an amount equal to the Loss. Neither BNPP B.V., nor BNPP shall have any duty or obligation, whether as fiduciary or trustee for any relevant party or otherwise, to recover any such payment or to account to any other person for any amounts paid to it under this provision; and

(C) agrees and accepts that:

- I. the contract between the relevant Issuer and the relevant financial intermediary formed upon acceptance by the relevant financial intermediary of the relevant Issuer's offer to use this Base Prospectus with its consent in connection with the relevant Non-exempt 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;
- II. where the offer relates to English Law Securities, the English courts have jurisdiction to settle any dispute arising out of or in connection with the Authorised Offeror Contract (including any dispute relating to any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract) (a "**Dispute**") and the relevant Issuer and the financial intermediary submit to the exclusive jurisdiction of the English courts;
- III. where the offer relates to French Law Securities, the courts within the jurisdiction of the Paris Court of Appeal (*Cour d'Appel de Paris*) have jurisdiction to settle any dispute arising out of or in connection with the Authorised Offeror Contract (including any dispute relating to any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract) (a "**Dispute**") and the relevant Issuer and the financial intermediary submit to the jurisdiction of such French courts;
- IV. for the purposes of (C)(II) and (III), the relevant Issuer and the financial intermediary waive any objection to the relevant courts on the grounds that they are an inconvenient or inappropriate forum to settle any dispute;
- V. each of the relevant Issuer and the financial intermediary 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, including the agreements, representations, warranties, undertakings and indemnity given by the financial intermediary pursuant to the Authorised Offeror Terms.

**Any Authorised Offeror falling within (b) above who meets the conditions set out in (b) and the other conditions stated in "*Common Conditions to Consent*" below and who wishes to use this Base Prospectus in connection with a Non-exempt Offer is required, for the duration of the relevant Offer Period, to publish on its website the Acceptance Statement.**

#### ***Common Conditions to Consent***

The conditions to the Issuer's consent to the use of this Base Prospectus in the context of the relevant Non-exempt Offer are (in addition to the conditions described in paragraph (b) above if Part A of the applicable Final Terms specifies "*General Consent*" as "*Applicable*") that such consent:

- (i) is only valid during the Offer Period specified in the applicable Final Terms; and
- (ii) only extends to the use of this Base Prospectus to make Non-exempt Offers of the relevant Tranche of Securities in Belgium, Denmark, Finland, France, Italy, Norway, Portugal, Spain and Sweden as specified in the applicable Final Terms.

The consent referred to above only relates to Offer Periods (if any) occurring within 12 months from the date of this Base Prospectus.

The only relevant Member States which may, in respect of any Tranche of Securities, be specified in the applicable Final Terms (if any Relevant Member States are so specified) as indicated in (ii) above, will be Belgium, Denmark, Finland, France, Italy, Luxembourg, Norway, Portugal, Spain and Sweden and accordingly each Tranche of Securities may only be offered to Investors as part of a Non-exempt Offer in Belgium, Denmark, Finland, France, Italy, Luxembourg, Norway, Portugal, Spain and Sweden as specified in the applicable Final Terms, or otherwise in circumstances in which no obligation arises for BNPP B.V. or BNPP to publish or supplement a prospectus for such offer.

#### ***ARRANGEMENTS BETWEEN INVESTORS AND AUTHORISED OFFERORS***

**AN INVESTOR INTENDING TO PURCHASE OR PURCHASING ANY SECURITIES IN A NON-EXEMPT 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 THE TERMS AND CONDITIONS OF THE OFFER IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING ARRANGEMENTS IN RELATION TO PRICE, ALLOCATIONS, EXPENSES AND SETTLEMENT. THE RELEVANT ISSUER WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH SUCH INVESTORS IN CONNECTION WITH THE NON-EXEMPT OFFER OR SALE OF THE SECURITIES CONCERNED AND, ACCORDINGLY, THIS BASE PROSPECTUS AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE RELEVANT INFORMATION WILL BE PROVIDED BY THE AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER. NEITHER BNPP B.V. NOR BNPP HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF THE INFORMATION DESCRIBED ABOVE.**

#### **INFORMATION RELATED TO SECURITIES SOLD IN BELGIUM**

In respect of Securities offered to individuals in Belgium, the relevant Issuer may be required to comply with the provisions of the Belgian Code of Economic Law, especially the provisions on unfair terms in the application of the terms and conditions as set out in the Base Prospectus and the applicable Final Terms relating to such Securities in Belgium, insofar as these provisions would be applicable.

#### **Information relating to the use of this Base Prospectus and offer of Securities generally.**

The distribution of this Base Prospectus and the offering of Securities in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by BNPP B.V., BNPP and each Manager to inform themselves about and to observe any such restrictions.

In this Base Prospectus references to U.S.\$ and U.S. dollars are to United States dollars and references to euro, € and EUR are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

Each of BNPP B.V. (in respect of itself) and BNPP (in respect of itself and BNPP B.V.) accepts responsibility for the information contained in this Base Prospectus. To the best of the knowledge of each of BNPP B.V. and BNPP (who have taken all reasonable care to ensure that such is the case), the information contained herein is in accordance with the facts and does not omit anything likely to affect the import of such information.

Information contained in this Base Prospectus which is sourced from a third party has been accurately reproduced and, as far as the relevant Issuer is aware and is able to ascertain from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The relevant Issuer has also identified the source(s) of such information.

The applicable Final Terms will (if applicable) specify the nature of the responsibility taken by the relevant Issuer and, if applicable, the Guarantor for the information relating to the underlying asset, index or other item(s) to which the Securities relate, which is contained in such Final Terms.

## RESPONSIBILITY STATEMENT

I hereby certify on behalf of BNPP and BNPP B.V., having taken all reasonable care to ensure that such is the case, that, to the best of my knowledge, the information contained in this Base Prospectus is in accordance with the facts and contains no omission likely to affect its import.

### **BNP Paribas**

16 boulevard des Italiens  
75009 Paris  
France

Represented by Michel Konczaty  
in his capacity as Deputy Chief Operating Officer

Dated 7 June 2017



In accordance with Articles L. 412-1 and L. 621-8 of the French *Code monétaire et financier* and with the General Regulations (*Règlement général*) of the French *Autorité des marchés financiers* ("**AMF**"), in particular Articles 211-1 to 216-1, the AMF has granted to this Base Prospectus the visa n°17-263 on 7 June 2017. This Base Prospectus has been prepared by BNPP and BNPP B.V. and BNPP's signatories assume responsibility for it on behalf of BNPP and BNPP B.V.. This document may only be used for the purposes of a financial transaction if completed by Final Terms. In accordance with Article L. 621-8-1-I of the French *Code monétaire et financier*, the visa has been granted following an examination by the AMF of "whether the document is complete and comprehensible, and whether the information in it is coherent". It does not imply that the AMF has verified the accounting and financial data set out in it. This visa has been granted subject to the publication of Final Terms in accordance with Article 212-32 of the AMF's General Regulations, setting out the terms of the securities being issued.



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