

**FIFTH SUPPLEMENT DATED 12 NOVEMBER 2013  
TO THE NOTE, WARRANT AND CERTIFICATE PROGRAMME BASE PROSPECTUS  
DATED 3 JUNE 2013**



**BNP PARIBAS**

**BNP Paribas Arbitrage Issuance B.V.**

*(incorporated in The Netherlands)*

*(as Issuer)*

**BNP Paribas**

*(incorporated in France)*

*(as Issuer and Guarantor)*

**BNP Paribas Fortis Funding**

*(incorporated in Luxembourg)*

*(as Issuer)*

**BNP Paribas Fortis SA/NV**

*(incorporated in Belgium)*

*(as Guarantor)*

**BGL BNP Paribas**

*(incorporated in Luxembourg)*

*(as Issuer)*

**Note, Warrant and Certificate Programme**

This fifth supplement (the **Fifth Supplement**) is supplemental to, and should be read in conjunction with the base prospectus (the **Base Prospectus**) dated 3 June 2013, the first supplement to the Base Prospectus dated 24 July 2013 (the **First Supplement**), the second supplement to the Base Prospectus dated 12 August 2013 (the **Second Supplement**), the third supplement to the Base Prospectus dated 12 September 2013 (the **Third Supplement**) and the fourth supplement to the Base Prospectus dated 6 November 2013 (the **Fourth Supplement**) and, together with the First Supplement, the Second Supplement and the Third Supplement, the **Previous Supplements**), in each case in relation to the Note, Warrant and Certificate Programme of BNP Paribas Arbitrage Issuance B.V. (**BNPP B.V.**), BNP Paribas (**BNPP**), BNP Paribas Fortis Funding (**BP2F**), BNP Paribas Fortis SA/NV (**BNPPF**) and BGL BNP Paribas (**BGL**) (the **Programme**).

The Base Prospectus constitutes a base prospectus for the purpose of Article 5.4 of Directive 2003/71/EC as amended (including by Directive 2010/73/EU to the extent that such amendments have been implemented in a relevant Member State of the European Economic Area) (the **Prospectus Directive**). The *Autorité des Marchés Financiers* (the **AMF**) granted visa no. 13-259 on 3 June 2013 in respect of the Base Prospectus, visa no. 13-416 on 24 July 2013 in respect of the First Supplement, visa no. 13-456 on 12 August 2013 in respect of the Second Supplement, visa no. 13-490 on 12 September 2013 in respect of the Third Supplement and visa no. 13-589 on 6 November 2013 in respect of the Fourth Supplement. Application has been made for approval of this Fifth Supplement to the AMF in its capacity as competent authority pursuant to Article 212-2 of its *Règlement Général* which implements the Prospectus Directive in France.

Unless the context otherwise requires, terms defined in the Base Prospectus, as amended by the Previous Supplements, shall have the same meanings when used in this Fifth Supplement.

To the extent that there is any inconsistency between (i) any statement in this Fifth Supplement and (ii) any statement in, or incorporated by reference in, the Base Prospectus, the statement referred to in (i) above will prevail.

Reference in this Fifth Supplement to paragraphs of the Base Prospectus are to the Base Prospectus as amended by the First Supplement, the Second Supplement, the Third Supplement and/or the Fourth Supplement, as applicable. References in this Fifth Supplement to page numbers in the Base Prospectus are to the page numbers in the Base Prospectus without taking into account any amendments made in the Previous Supplements.

Copies of this Fifth Supplement may be obtained free of charge at the specified offices of BNP Paribas Securities Services, Luxembourg Branch and BNP Paribas Arbitrage S.N.C. and will be available on the website of BNP Paribas (<https://rates-globalmarkets.bnpparibas.com/gm/Public/LegalDocs.aspx>) and on the website of the AMF ([www.amf-france.org](http://www.amf-france.org)).

This Fifth Supplement has been prepared in accordance with Article 16.1 of the Prospectus Directive, and pursuant to Article 212-25 of the AMF's *Règlement Général*, for the purposes of giving information which amends or is additional to the information already contained in the Base Prospectus.

This Fifth Supplement has been prepared for the purposes of:

- (A) updating the "Programme Summary in relation to the Base Prospectus" and the "Pro Forma Issue Specific Summary of the Programme in relation to the Base Prospectus";
- (B) amending the Risk Factors;
- (C) amending the Form of Final Terms for W&C Securities;
- (D) amending the Terms and Conditions of the Notes;
- (E) amending Annex 1 - Additional Terms and Conditions for Payouts;
- (F) amending Annex 2 - Additional Terms and Conditions for Index Securities;
- (G) amending Annex 3 - Additional Terms and Conditions for Share Securities;
- (H) amending Annex 13 - Additional Terms and Conditions for Secured Securities;
- (I) amending the Description of BNPP Indices;
- (J) amending the Index of Defined Terms in respect of the W&C Securities;
- (K) amending the Index of Defined Terms in respect of Notes; and
- (L) updating the "Programme Summary in relation to the Base Prospectus (in French)" and the "Pro Forma Issue Specific Summary of the Programme in relation to the Base Prospectus (in French)".

The amendments referred to in (H) above have been made in order to:

- (a) add "Hedging Failure" as a new Optional Additional Disruption Event for Secured Securities;

- (b) amend the definitions of "Eligible Collateral" in Part A of the Collateral Security Conditions and "MTM Adjustable Assets" in Part B of the Collateral Security Conditions, in each case to include the sub-category of "Fallback Collateral". Fallback Collateral is a sub-category of Eligible Collateral and the MTM Adjustable Assets comprising assets that, if specified as applicable in the applicable Final Terms, can be delivered to the Collateral Account by the Issuer only if it would otherwise be unable to deliver sufficient assets that are specified as the "Eligible Collateral" or "MTM Adjustable Assets" (as applicable) in the applicable final terms; and
- (c) amend the Collateral Security Conditions set out in Part B of Annex 13 to include "Notional Value Collateral Asset Linked Securities", which are Collateral Asset Linked Securities where no MTM Adjustable Assets will be posted by the Issuer.

The amendments referred to in (D) to (G) above have been made in order to correct typographical errors and amend certain payouts (including adding or amending related definitions).

The amendments referred to in (B) and (C) above have been made to reflect the amendments referred to in (D) to (H).

In accordance with Article 16.2 of the Prospectus Directive, in the case of an offer of Securities to the public, investors who have already agreed to purchase or subscribe for Securities issued under the Programme before this Fifth Supplement is published have the right, exercisable before the end of the period of two working days beginning with the working day after the date of publication of this Fifth Supplement to withdraw their acceptances. This right to withdraw shall expire by close of business on 15 November 2013.

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**AMENDMENTS TO THE PROGRAMME SUMMARY IN RELATION TO THE BASE  
PROSPECTUS AND PRO FORMA ISSUE SPECIFIC SUMMARY OF THE PROGRAMME IN  
RELATION TO THE BASE PROSPECTUS**

1. The "Programme Summary in relation to this Base Prospectus" on pages 16 to 54 of the Base Prospectus is amended as follows:
  - (a) In the first paragraph under the heading "*In the case of Notes issued by BNPP B.V.*" in the section "Taxation" in the third column of Element C.8, the following text is deleted:

" or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which BNPP becomes subject in respect of payments made by it of principal and interest on the Notes "
  - (b) In Element C.8, all references to the "Note Agency Agreement" are deleted and replaced with "Note Agency Agreement (as amended or supplemented from time to time)";
  - (c) In Element C.8, all references to the "English Law Agency Agreement" are deleted and replaced with "English Law Agency Agreement (as amended or supplemented from time to time)";
  - (d) In Element C.8, all references to the "French Law Agency Agreement" are deleted and replaced with "French Law Agency Agreement (as amended or supplemented from time to time)";
  - (e) In Element C.8, the final sentence of the second paragraph under the heading "**Secured Securities**" is deleted and replaced with the following:

"Where the Secured Securities are Collateral Asset Linked Securities, the Issuer will provide collateral in respect of the nominal value of the relevant Secured Securities (the "**Reference Collateral Assets**") and, in addition, the Issuer will provide collateral in respect of the marked to market value of an option to which the Final Payout in respect of the Secured Securities is linked (the "**MTM Adjustable Assets**") unless the Secured Securities are "Notional Value Collateral Asset Linked Securities" in which case no such collateral will be provided and the market value of such option will be uncollateralised."
  - (f) In Element C.8, the final sentence of the final paragraph under the heading "**Secured Securities**" is deleted and replaced with the following:

"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 the realisation of the MTM Adjustable Assets or, in the case of Notional Value Collateral Asset Linked Securities only, the amount paid by BNPP B.V. in respect of the marked to market value of the option which BNPP B.V. will enter into in order to hedge its obligations, is less than the Security MTM Termination Amount following such realisation, enforcement or payment, such shortfall shall be irrevocably guaranteed by BNPP."
2. The "Pro Forma Issue Specific Summary of the Programme in relation to this Base Prospectus" on pages 55 to 94 of the Base Prospectus is amended as follows:

- (a) In the first paragraph under the heading "*In the case of Notes issued by BNPP B.V., insert:*" in the section "**Taxation**" in the third column of Element C.8, the following text is deleted:

" or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which BNPP becomes subject in respect of payments made by it of principal and interest on the Notes "

- (b) In Element C.8, all references to the "Note Agency Agreement" are deleted and replaced with "Note Agency Agreement (as amended or supplemented from time to time)";
- (c) In Element C.8, all references to the "English Law Agency Agreement" are deleted and replaced with "English Law Agency Agreement (as amended or supplemented from time to time)";
- (d) In Element C.8, all references to the "French Law Agency Agreement" are deleted and replaced with "French Law Agency Agreement (as amended or supplemented from time to time)";
- (e) In Element C.8, the paragraph following the text "[If the Secured Securities are Collateral Asset Linked Securities:" in the section "*[Secured Securities]*" is deleted and replaced with the following:

"The Secured Securities are "**Collateral Asset Linked Securities**" and the Issuer will provide collateral in respect of the nominal amount (the "**nominal value**") of the Secured Securities ("**Nominal Value Collateralisation**") (such collateral, the "**Reference Collateral Assets**") [and, in addition, Issuer will provide collateral in respect of the marked to market value of the option to which the Final Payout in respect of the Secured Securities is linked (such collateral, the "**MTM Adjustable Assets**")]."

- (f) In Element C.8, the section beginning with the text "The MTM Adjustable Assets in the Collateral Pool will be [one or more of] the following:" and ending with the text "The Reference Collateral Assets and the MTM Adjustable Assets constitute the "Collateral Assets" for the Secured Securities." in the section "*[Secured Securities]*" is deleted and replaced with the following:

"[The MTM Adjustable Assets in the Collateral Pool will be [one or more of] the following:

- (a) [[cash in Euro]/[cash in [●]]][.];
- (b) [common] [ordinary] shares or stock;[preference shares or stock;] [convertible common shares or stock;] [convertible preference shares 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 [●]]: [and]
- (c) [Linked Noted 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 [●]]:]

The Reference Collateral Assets [and the MTM Adjustable Assets] constitute the "Collateral Assets" for the Secured Securities."

- (g) In Element C.8, the final paragraph of the section "*[Secured Securities]*" is deleted in its entirety and replaced with the following:

"[The Reference Collateral Assets and/or the value realised for any of the Reference Collateral Assets which are sold in connection with the enforcement and delivery will be delivered to the relevant holders and an amount equal to the Security MTM Termination Amount will be payable to the relevant holders. 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 the realisation of the MTM Adjustable Assets][in respect of the marked to market value of the option which BNPP B.V. will enter into in order to hedge its obligations under the Securities] is less than the Security MTM Termination Amount following such [realisation or] enforcement [and payment], such shortfall shall be irrevocably guaranteed by BNPP.]"

## AMENDMENTS TO THE RISK FACTORS

The Risk Factors are amended as set out below:

- (a) the risk factor entitled "*Adjustments to amount of MTM Adjustable Assets in Collateral Pool (MTM Collateralisation Element)*" on page 135 of the Base Prospectus is amended by the addition of the following new text at the beginning thereof:

"The following risk factor applies in respect of Collateral Asset Linked Securities other than where MTM Adjustable Assets are specified as being "not applicable".";

- (b) the following new risk factor is inserted immediately after the risk factor entitled "*Adjustments to amount of MTM Adjustable Assets in Collateral Pool (MTM Collateralisation Element)*" on page 135 of the Base Prospectus:

*"No option collateralisation in respect of Notional Value Collateral Asset Linked Securities*

In respect of any Collateral Asset Linked Securities the MTM Adjustable Assets for which are specified as being "not applicable" ("**Notional Value Collateral Asset Linked Securities**"), the above risk factor headed "Adjustments to amount of MTM Adjustable Assets in Collateral Pool (MTM Collateralisation Element)" shall not apply. In such case, only the Notional Amount of the Certificates will be collateralised although an amount will be payable by the Issuer equal to the positive marked to market value (if any) of the Option that relates to Secured Securities that are held by parties other than BNPP B.V. or any of its Affiliates (the "**Security MTM Termination Amount**"). This means that, in the event of an Enforcement Event, the Holders will be exposed to the credit risk of the Issuer and the Guarantor in order to receive payment of the relevant Security MTM Termination Amount (if any) and there will be no Collateral Assets in the Collateral Pool collateralising such payment obligation."; and

- (c) the following new risk factor is inserted immediately after the risk factor entitled "*Scope of Guarantee*" on page 137 of the Base Prospectus:

*"Early redemption following the occurrence of a Hedging Failure*

Where Hedging Failure is specified as applicable in the applicable final terms and the Issuer and/or its affiliates enters into hedging arrangements (including collateralisation arrangements relating to, and as part of, such hedging arrangements) with third parties, including the Reference Collateral Asset Issuer, and the Issuer subsequently becomes unable to maintain such hedging arrangements (and/or the collateralisation arrangements which form part of such hedging arrangements), after using commercially reasonable efforts, it shall redeem the certificates early and investors may suffer a significant loss. Where Hedging Failure applies to a series of Secured Securities and Collateral Asset Default or Collateral Default Event is also applicable in respect of such Secured Securities, investors should be aware that they may be exposed to the credit risk of the Reference Collateral Asset Issuer in respect of both the Reference Collateral Assets and any hedging arrangements (and/or the collateralisation arrangements which form part of such hedging arrangements)) that the Issuer and/or its affiliates has entered into with the Reference Collateral Asset Issuer. In exercising their rights under such hedging arrangements (and/or the collateralisation arrangements which form part of such hedging arrangements)), the Issuer and/or its affiliates will have no responsibility to take investors' interests into account and may act in a way that results in the occurrence of a Hedging Failure with the consequences described in this paragraph."

## AMENDMENTS TO THE FORM OF FINAL TERMS FOR W&C SECURITIES

The Form of Final Terms for W&C Securities on pages 208 to 273 of the Base Prospectus is amended as set out below:

- (a) Paragraph 24(n) thereof is amended by the addition of the following new sub-paragraphs immediately after sub-paragraph (vi):

"(vii) Relevant FTP Screen Page: [specify]

(viii) Relevant Futures or Options Exchange Website: [specify]"

- (b) Paragraph 48(c) thereof is deleted in its entirety and replaced with the following:

"(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][Where the Securities are Collateral Asset Linked Securities, this paragraph 48(c) should be completed in conjunction with paragraphs 48(u)(iii) and 48 ]

(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]";

- (c) Paragraph 48(s) thereof is deleted in its entirety and replaced with the following:

"(s) (i) Collateral Asset Default [Applicable]/[Not applicable] [Collateral Asset Default] [Collateral Asset Issuer Default] [Collateral Default Event] (NB: Collateral Asset Issuer Default may only be specified if Part A of Annex 13 is applicable and Collateral Default Event may only be specified where Part B of Annex 13 is applicable. Delete if Collateral Asset Default is not applicable)

[Collateral Physical Settlement: [Applicable/Not applicable]]  
[Disruption Cash Settlement Price: specify if Collateral  
Physical Settlement is applicable]/[[Default  
Redemption]/[Option Value Redemption] is applicable.

[NB Delete Collateral Physical Settlement, Disruption Cash  
Settlement Price, Default Redemption/Option Value  
Redemption if Collateral Asset Default is not applicable]

- (ii) Hedging Failure: [Applicable]/[Not applicable]"; and
- (d) In Paragraph 48(u)(iii) thereof the text "[Not applicable] [NB "Not applicable" to be specified only  
in respect of Notional Value Collateral Asset Linked Securities]" shall be added immediately after  
the text "*[NB must also constitute Eligible Collateral]*".

## AMENDMENTS TO THE TERMS AND CONDITIONS OF THE NOTES

*In relation to the amendments to the Terms and Conditions of the Notes set out in this section: (i) text which, by virtue of this Fifth Supplement, is deleted from the Terms and Conditions of the Notes is shown with a line drawn through the middle of the relevant deleted text; and (ii) text which, by virtue of this Fifth Supplement, is added to the Terms and Conditions of the Notes is shown underlined.*

The Terms and Conditions of the Notes are amended as set out below:

(a) Condition 5.2(a) is amended as follows:

- (a) If the Issuer or the Guarantor (if applicable) would, as a result of any change in, or in the official interpretation or administration of, any laws or regulations of France (in the case of payments by BNPP), the Netherlands (in the case of payments by BNPP B.V.), Luxembourg (in the case of payments by BP2F ~~or BGL~~), any Tax Jurisdiction (as defined in Condition 6.3) (in the case of payments by BGL) or Belgium (in the case of payments by BNPPF) or in each case any other authority thereof or therein be required to pay additional amounts as provided in Condition 6, the Issuer may at its option at any time (in the case of Notes other than Floating Rate Notes) or on any Interest Payment Date (in the case of Floating Rate Notes) on giving not more than 45 nor less than 30 days' notice to the Noteholders (in accordance with Condition 16) which notice shall be irrevocable, redeem all, but not some only, of the Notes at their Early Redemption Amount (as defined below) together with interest accrued to the date fixed for redemption, provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date upon which the Issuer could make payment without withholding for such taxes.

(b) Condition 5.2(b) is amended as follows:

- (b) If the Issuer or the Guarantor (if applicable) would, on the next due date for payment of any amount in respect of the Notes, be prevented by French law (in the case of payments by BNPP), Dutch law (in the case of payments by BNPP B.V.), Luxembourg law (in the case of payments by BP2F ~~or BGL~~), the laws or regulations of any Tax Jurisdiction (as defined in Condition 6.3) (in the case of payments by BGL) or Belgium law (in the case of payments by BNPPF) from making such payment notwithstanding the undertaking to pay additional amounts as provided in Condition 6, then the Issuer shall forthwith give notice of such fact to the Principal Paying Agent and shall at any time (in the case of Notes other than Floating Rate Notes) or on any Interest Payment Date (in the case of Floating Rate Notes) redeem all, but not some only, of the Notes then outstanding at their Early Redemption Amount (as defined below) together with interest accrued to the date fixed for redemption, upon giving not less than 7 nor more than 45 days' prior notice to the Noteholders (in accordance with Condition 16), provided that the due date for redemption of which notice hereunder shall be given shall be no earlier than the latest practicable date on which the Issuer could make payment of the full amount of interest payable in respect of the Notes or, if such date is already past, as soon as practicable thereafter.

(c) Condition 6.1(x) is amended as follows:

- (x) **Tax Jurisdiction** means France or any political subdivision or any authority thereof or therein having power to tax ~~or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which BNPP becomes subject in respect of payments made by it of principal and interest on the Notes~~ (in the case of payments by BNPP) or the Netherlands or any political subdivision or any authority thereof or therein having power to tax (in the case of payments by BNPP B.V.); and

## AMENDMENTS TO ANNEX 1 - ADDITIONAL TERMS AND CONDITIONS FOR PAYOUTS

*In relation to the amendments to Annex 1 – Additional Terms and Conditions for Payouts in this section (other than in paragraphs (c), (f) and (l)): (i) text which, by virtue of this Fifth Supplement, is deleted from Annex 1 – Additional Terms and Conditions for Payouts is shown with a line drawn through the middle of the relevant deleted text; and (ii) text which, by virtue of this Fifth Supplement, is added to Annex 1 – Additional Terms and Conditions for Payouts is shown underlined.*

Annex 1 – Additional Terms and Conditions for Payouts is amended as set out below:

- (a) In Payout Condition 1.5, the definition of "**Underlying Price<sub>(t)</sub>**" is amended as follows:

"Underlying Price<sub>(t)</sub>" is (a) (i) if "Futures Price Valuation" is specified as applicable in the applicable Final Terms (A) if the relevant Exchange Business Day is the Valuation Date in respect of the relevant Security, the Settlement Price on ~~the relevant~~ such Exchange Business Day or (B) if the relevant Exchange Business Day is not the Valuation Date in respect of the relevant Security, the First Traded Price on such Exchange Business Day or (ii) if "Futures Price Valuation" is not specified as applicable in the applicable Final Terms, the Settlement Price on the relevant Exchange Business Day plus (b) if the Underlying Reference is a Share or an Index, the Securities are not Rolling Futures Contract Securities and such Exchange Business Day is an Ex-Dividend Date for such Underlying Reference, the Dividend Adjustment Amount;

- (b) In Payout Condition 1.5, the definition of "**Underlying Price<sub>(t-1)</sub>**" is amended as follows:

"Underlying Price<sub>(t-1)</sub>" is (a) if "Futures Price Valuation" is specified as applicable in the applicable Final Terms, the First Traded Price or, otherwise, the Settlement Price, in each case on the Exchange Business Day immediately preceding such Exchange Business Day plus (b) if the Securities are Rolling Futures Contract Securities and the relevant Exchange Business Day is a Futures Rollover Date, the Futures Rollover Adjustment Amount.

- (c) In Payout Condition 2.3(b), the definition of "**ER Floor**" is deleted and replaced with the following:

**"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;"

- (d) In Payout Condition 2.6(a), the definition of "**Underlying Reference Closing Price Value**" is amended as follows:

"**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; ~~or~~
  - (b) if the relevant Underlying Reference is ~~an ETI or a Share~~, the Closing Price or the Italian Securities Reference Price, as specified in the applicable Final Terms; and
  - (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;
  - ~~(d)~~(e) if the relevant Underlying Reference is a Fund, the NAV per Fund Share;
  - ~~(e)~~(f) if the relevant Underlying Reference is a Currency or Future, the Settlement Price;
  - ~~(f)~~(g) if the relevant Underlying Reference is an Underlying Interest Rate, the Underlying Reference Rate; or
  - ~~(g)~~(h) if the relevant Underlying Reference is an Inflation Index, the Relevant Level,
- in each case in respect of such day;

- (e) In Payout Condition 2.12, the definition of "**SPS Valuation Date**" is amended as follows:

"**SPS Valuation Date**" means each SPS Coupon Valuation Date, 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, Automatic Early Expiration Valuation Date, ~~or Automatic Early Redemption Valuation Date~~ or Strike Date specified as such in the applicable Final Terms;

- (f) In Payout Condition 2.12, the definition of "**Up Fixed Redemption Value**" is deleted and replaced with the following:

"**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;"

(g) Payout Condition 3.1(b) is amended as follows:

(b) **Range Accrual Coupon**

If Range Accrual Coupon is specified as applicable in the applicable Final Terms:

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

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

Where:

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

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

If Deemed Range Accrual is specified as applicable in the applicable Final Terms, the FI DC Barrier Value for each Range Accrual Day in the period from (and including) the Range Cut-off Date to (and including) the Range Period End Date will be deemed to be the FI DC Barrier Value on the Range Cut-off Date.

(h) Payout Condition 3.3(a) is amended as follows:

(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 10 (zero); 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 10 (zero).

Where:

"Option" means Max (Performance Value, Floor);

(i) Payout Condition 3.3(b) is amended as follows:

(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 10 ~~(zero)~~;

(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 10 ~~(zero)~~; or

(B) if a Knock-in Event has occurred but a Knock-out Event has not occurred and the FI Digital Floor Condition is satisfied in respect of the relevant FI 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.

(j) Payout Condition 3.3(c) is amended as follows:

(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 10 (zero);
  - (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 10 (zero); or
  - (B) if a Knock-in Event has occurred but a Knock-out Event has not occurred and the FI Digital Cap Condition is satisfied in respect of the relevant FI 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.

(k) Payout Condition 3.3(d) is amended as follows:

(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 no Knock-in Event has occurred, FI Constant Percentage 10~~(zero)~~; or
  - (B) if a Knock-in Event has occurred and 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 x FI Digital Value)); 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 + Digital Plus Percentage 2;
- (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 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 + Digital Plus Percentage 2;
- (iii) if Knock-in Event and Knock-out Event are specified as applicable in the applicable Final Terms:
  - (A) if no Knock-in Event has occurred, FI Constant Percentage 10~~(zero)~~; or
  - (B) if a Knock-in Event has occurred but a Knock-out Event has not occurred and 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 x FI Digital Value)); or
  - (C) in all other cases:  
FI Constant Percentage 1 + Digital Plus Percentage 2.

(l) The following new definition is added to Payout Condition 3.6 immediately following the "**Digital Plus Percentage 2**" definition:

""**FI Constant Percentage 1**" means the percentage specified as such in the applicable Final Terms;"

## AMENDMENTS TO ANNEX 2 - ADDITIONAL TERMS AND CONDITIONS FOR INDEX SECURITIES

*In relation to the amendments to Annex 2 - Additional Terms and Conditions for Index Securities set out in this section (other than paragraphs (a) and (c)): (i) text which, by virtue of this Fifth Supplement, is deleted from Annex 2 – Additional Terms and Conditions for Index Securities is shown with a line drawn through the middle of the relevant deleted text; and (ii) text which, by virtue of this Fifth Supplement, is added to Annex 2 – Additional Terms and Conditions for Index Securities is shown underlined.*

Annex 2 – Additional Terms and Conditions for Index Securities is amended as set out below:

(a) The following new definition is added after the first paragraph of Index Security Condition 9.1:

**"First Traded Price"** means, in relation to each Cash Settled Security or, in the case of Warrants, if Units are specified in the applicable Final Terms, each Unit, as the case may be, subject 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 (in the case of Warrants) or the Index Currency (in the case of Notes and Certificates)) 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 Exchange Business Day, 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 (in the case of Warrants) or the Index Currency (in the case of Notes and Certificates)) 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 Exchange Business Day."

(b) In Index Security Condition 9.1, the first paragraph following the definition of **"Settlement Price"** is amended as follows:

*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 ETS Final Payout 2300 is specified as applicable in the applicable Final Terms, the Actual First Traded Price is published by the relevant Futures or Options Exchange in relation to each such Index to which Futures Price Valuation applies.*

(c) In Index Security Condition 9.1, the following new definition is added immediately before the definition of **"Current Exchange-traded Contract"**:

**"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."

- (d) In Index Security Condition 9.1, the definition of "**Non-Commencement or Discontinuance of the Exchange-traded Contract**" is amended as follows:

**"Non-Commencement or Discontinuance of the Exchange-traded Contract"** means there is no Official Settlement Price or, if ETS Final Payout 2300 is specified as applicable in the applicable Final Terms, the Actual First Traded 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 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.

- (e) Index Security Condition 9.4 is amended as follows:

**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.

- (f) Index Security Condition 9.5 is amended as follows:

**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.

## AMENDMENTS TO ANNEX 3 - ADDITIONAL TERMS AND CONDITIONS FOR SHARE SECURITIES

*In relation to the amendments to Annex 3 - Additional Terms and Conditions for Share Securities set out in this section: (i) text which, by virtue of this Fifth Supplement, is deleted from Annex 3 – Additional Terms and Conditions for Share Securities is shown with a line drawn through the middle of the relevant deleted text; and (ii) text which, by virtue of this Fifth Supplement, is added to Annex 3 – Additional Terms and Conditions for Share Securities is shown underlined.*

Annex 3 – Additional Terms and Conditions for Share Securities is amended as set out below:

- (a) In Share Security Condition 1, the definition of "**Italian Securities Reference Price**" is amended as follows:

**"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;

- (b) In Share Security Condition 1, paragraph (a) of the definition of "**Settlement Price**" is amended as follows:

- (a) in the case of Share Securities relating to a Basket of Shares and in respect of each Share comprising the Basket, an amount equal to the official closing price or the 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 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 based, at the Calculation Agent's discretion, either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions (as selected by the Calculation Agent) engaged in the trading of such Share or on such other factors as the Calculation Agent shall decide), multiplied by the relevant Weighting, such value to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate, all as determined by or on behalf of the Calculation Agent; and

(c) In Share Security Condition 1, paragraph (b) of the definition of "**Settlement Price**" is amended as follows:

- (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 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 based, at the Calculation Agent's discretion, either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions (as selected by the Calculation Agent) engaged in the trading of the Share or on such other factors as the Calculation Agent shall decide), such amount to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate and such converted amount to be the Settlement Price, all as determined by or on behalf of the Calculation Agent;

**AMENDMENTS TO ANNEX 13 - ADDITIONAL TERMS AND CONDITIONS FOR SECURED SECURITIES**

*In relation to the amendments to Annex 13 - Additional Terms and Conditions for Secured Securities set out in this section: (i) text which, by virtue of this Fifth Supplement, is deleted from Annex 13 – Additional Terms and Conditions for Secured Securities is shown with a line drawn through the middle of the relevant deleted text; and (ii) text which, by virtue of this Fifth Supplement, is added to Annex 13 – Additional Terms and Conditions for Secured Securities is shown underlined.*

Annex 13 – Additional Terms and Conditions for Secured Securities is amended as set out on pages 23 to 129 of this Fifth Supplement:

## ANNEX 13

### ADDITIONAL TERMS AND CONDITIONS FOR SECURED SECURITIES

If specified as applicable in the applicable Final Terms, (a) the terms and conditions applicable to W&C Securities specified in the applicable Final Terms as Secured Securities shall comprise the terms and conditions of W&C Securities (the "**W&C 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 W&C 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 B 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 B of Annex 13 and 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 Delivery Rounding Amount"** has the meaning given to it in Collateral Security Condition 3.6;

**"Collateral Early Settlement Amount"** has the meaning given to it in Collateral Security Condition 7.3 (in the case of Certificates) or Collateral Security Condition 7.4 (in the case of Warrants), as the case may be;

**"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 Security Credit Certificate"** means a Certificate in respect of which the Final Terms specify that Collateral Security Condition 8 will apply;

**"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 Credit Event Redemption Amount, 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 aggregate of the Collateral Delivery Rounding Amount and 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 if such Secured Securities are Certificates and 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 if such Secured Securities are Certificates and 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 and such Secured Security is a Certificate, 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 and such Secured Security is a Certificate, 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 and such Secured Security is a Certificate, the nominal value of such Secured Security;
- (f) if Shortfall Value Amount is specified in the applicable Final Terms and such Secured Security is a Certificate, 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 W&C 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

W&C 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.

In connection with any such delivery in respect of Certificates which are Secured Securities, such delivery shall be made in accordance with W&C Security Conditions 30 and 35.2 and the Entitlement in respect of a Secured Security shall be deemed to be a Certificate'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 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 W&C Security Condition 35.2(d).

Where delivery of the Collateral Assets is due to be made in respect of Secured Securities which are Warrants, W&C Security Conditions 22, 24 and 25 (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 in respect of a Secured Security shall be deemed to be a Warrant'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 W&C Security Condition 24.3.

In connection with such delivery, (i) W&C Security Condition 5 shall not apply, (ii) for the purposes of W&C 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 W&C 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".

The final sentence of the first paragraph of W&C Security Condition 35.2(d) shall not apply and the Collateral Assets which it is not possible to deliver to a Holder due to such rounding 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 and a *pro rata* share of the resulting amount (the "**Collateral Delivery Rounding Amount**") shall be paid to each Holder whose Entitlement is subject to such rounding calculated on the basis of the aggregate number of Secured Securities held by the relevant Holder as set out in W&C Security Condition 35.2(d).

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 W&C 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 in the case of Warrants, 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). For the avoidance of doubt, the Collateral Split Rounding Amount will be payable in addition to any Collateral Delivery Rounding Amount payable in accordance with Collateral Security Condition 3.6.
- (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 3 June 2013, or the French Law Guarantee for Unsecured W&C Securities dated 3 June 2013, 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 W&C 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 Redemption and 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 redeemed (in the case of Certificates) or cancelled (in the case of Warrants). 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 redeemed (in the case of Certificates) or cancelled (in the case of Warrants).

## 7. Additional Disruption Events

### 7.1 The following changes will apply to W&C Security Condition 15:

- (a) The definition of Additional Disruption Events in W&C Security Condition 15.1 shall be deleted and replaced with the following:

**"Additional Disruption Event"** means each of Change of Law, Hedging Disruption, Increased Cost of Hedging, Collateral Disruption and Increased Cost of Collateral Assets;"

- (b) The following definitions shall be deemed to have been inserted in W&C 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 W&C 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 W&C 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, Failure to Deliver due to Illiquidity, Force Majeure Event, Increased Cost of Stock Borrow, Jurisdiction Event, Insolvency Filing, Loss of Stock Borrow and/or Stop-Loss Event, in each case if specified in the applicable Final Terms;".

- (e) The following definition shall be deemed to have been inserted in W&C 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 W&C 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 W&C Security Condition 15.2(b) or (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 W&C Security Condition 15 shall not apply in connection with such Optional Additional Disruption Event.

- (a) Where the relevant Secured Securities are Certificates and 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 W&C 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, redeem the Secured Securities by payment of an amount equal to such Secured Security's Collateral Early Settlement Amount on the expiry of such notice.
- (b) Where the relevant Secured Securities are Warrants and 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 W&C 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 Warrants are so cancelled the Issuer will pay an amount to each Holder in respect of each Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, held by him which amount shall be 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) in the case of Certificates, (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 W&C Security Condition 10 that each Certificate is to be redeemed at its Collateral Early Settlement Amount pursuant to this Collateral

Security Condition 7.2(c)(i) 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 it shall redeem each Secured Security by payment of an amount equal to such Secured Security's Collateral Early Settlement Amount;

- (ii) in the case of Warrants, (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 W&C 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) in the case of Certificates or Warrants, 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. Where delivery of the Collateral Assets is due to be made in respect of Secured Securities which are Certificates, W&C Security Conditions 30 and 35.2 shall apply and, for such purposes, the Certificates shall be deemed to be Physical Delivery Certificates and the Entitlement in respect of a Certificate shall be deemed to be the Certificate'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 W&C Security Condition 35.2(d). Any reference in the W&C Security Conditions to Relevant Assets shall be deemed to be, in connection with a Collateral Asset Default or Collateral Asset Issuer Default, a reference to the Collateral Assets which are comprised in the Entitlement for such Secured Security. Where delivery of the Collateral Assets is due to be made in respect of Secured Securities which are Warrants, W&C Security Conditions 22, 24 and 25 (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 in respect of a Warrant 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 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 W&C Security Condition 24.3. Delivery of the Entitlement shall satisfy the Issuer's obligations in full in respect of the relevant Secured Securities.

- (d) Subject as provided below, in the case of Certificates, in the event that some only of the Collateral Assets in the relevant Collateral Pool become repayable (the "**Repayable Assets**") pursuant to Collateral Security Conditions 7.2(a) or 7.2(c)(i) above, each Certificate will be partially redeemed on a *pro rata* basis in a nominal amount equal to the proportion of the then outstanding aggregate nominal amount of the Certificates that the principal amount of the Repayable Assets bears to the aggregate principal amount of all of the Collateral Assets, subject as provided below.
- (e) Where Collateral Physical Settlement has been specified as applicable in the applicable Final Terms and a Settlement Disruption Event occurs, W&C 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 For the purpose of Collateral Security Conditions 7.2(a) and 7.2(c)(i), the "**Collateral Early Settlement Amount**" in respect of each Certificate will, be:

- (a) where "Default Redemption" is specified in the applicable Final Terms:

the lesser of:

- (i) the Security Realised Amount in respect of such Certificate (determined in accordance with Collateral Security Condition 3) or where Collateral Security Condition 7.2(a) is applicable, (A) such Secured Security's *pro rata* share of 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; and
- (ii) an amount calculated as follows:
  - (A) in the case of Certificates with a Cash Settlement Amount equal to the Issue Price, at the Cash Settlement Amount thereof; or
  - (B) in the case of Certificates with a Cash Settlement Amount which is or may be less or greater than the Issue Price or which is payable in a Settlement Currency other than that in which the Certificates are denominated, at the amount specified in, the applicable Final Terms or, if no such amount is so specified in the applicable Final Terms, at its outstanding nominal amount,

together with, in either case, an amount in respect of interest (if any) accrued on such Certificate from and including the immediately preceding Interest Payment Date or, if none, the Interest Commencement Date to and including the date of redemption; or

(b) where "Option Value Redemption" is specified in the applicable Final Terms, an amount equal to:

(i) the Security Realised Amount in respect of such Certificate (determined in accordance with Collateral Security Condition 3) or where Collateral Security Condition 7.2(a) is applicable, (A) such Secured Security's pro rata share of 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;

together with, an amount in respect of interest (if any) accrued on such Certificate from and including the immediately preceding Interest Payment Date or, if none, the Interest Commencement Date to and including the date of redemption.

7.4 For the purpose of Collateral Security Conditions 7.2(b) and 7.2(c)(ii), the "**Collateral Early Settlement Amount**" in respect of each Warrant will be:

(a) Where "Default Redemption" is specified as applicable in the applicable Final Terms, the Security Realised Amount in respect of such Warrant (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 Warrant (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. Collateral Security Credit Certificates**

### 8.1 General

This Collateral Security Condition shall only apply if the applicable Final Terms specify that Collateral Security Condition 8 applies and that the relevant Secured Securities are Collateral Security Credit Certificates. Where this Collateral Security Condition 8 applies, for the avoidance of doubt, the terms of Annex 13 shall not apply to the Secured Securities. This Collateral Security Condition 8 may only apply to Secured Securities which are Certificates and in respect of which the only Collateral Asset is the Reference Obligation and may not apply to Secured Securities which are Warrants.

### 8.2 Redemption

(a) Redemption absent Satisfaction of Conditions to Settlement

The Issuer will redeem each Collateral Security Credit Certificate on the related Collateral Credit Security Settlement Date (as such date may be extended in accordance with the definition thereof) by payment of an amount equal to the Cash Settlement Amount of such Certificate unless:

- (i) an Automatic Early Redemption Event has occurred (if applicable);
- (ii) an Enforcement Event has occurred;
- (iii) the Collateral Security Credit Certificates have been previously redeemed or purchased or cancelled in full (including pursuant to Collateral Security Condition 8.2(b)); or
- (iv) a Credit Event occurs and the Conditions to Settlement are satisfied in respect of such Credit Event, in which event the Issuer shall redeem the Collateral Security Credit Certificates in accordance with Collateral Security Condition 8.2(b).

(b) Redemption following Satisfaction of Conditions to Settlement

Upon the satisfaction of the Conditions to Settlement in relation to the Reference Entity, each Certificate will be redeemed at the Credit Event Settlement Amount on the Cash Settlement Date in full satisfaction of the Issuer's obligations under such Collateral Security Credit Certificate unless an Enforcement Event occurs on or prior to such Cash Settlement Date. Where the Conditions to Settlement are satisfied in relation to the Reference Entity but an Enforcement Event occurs on or prior to the Cash Settlement Date, Collateral Security Condition 3 shall apply.

(c) Miscellaneous provisions relating to Redemption

Any amount payable under Collateral Security Condition 8.2(b) shall be rounded downwards to the nearest sub-unit of the relevant currency.

### 8.3 Interest

(a) Cessation of Interest Accrual

Upon the occurrence of a Credit Event Determination Date in respect of the Reference Entity, interest shall cease to accrue with effect from, and including, either:

- (i) the Interest Payment Date immediately preceding such Credit Event Determination Date (or, in the case of the first Interest Period, the Interest Commencement Date); or
- (ii) if so specified in the applicable Final Terms, such Credit Event Determination Date.

(b) Interest following Scheduled Maturity

Subject always to Collateral Security Condition 8.3(a), if an Extension Notice has been given, no interest will accrue on each Collateral Security Credit Certificate which is outstanding from, and including, the Redemption Date to, and including, the related Collateral Credit Security Settlement Date.

(c) Interest Payment Dates

If the Collateral Security Credit Certificates are redeemed pursuant to the W&C Security Conditions, the Collateral Security Conditions or this Collateral Security Condition 8.3(a), the Redemption Date, the Collateral Credit Security Settlement Date (if not the Redemption Date) or the Cash Settlement Date, as the case may be, shall be an Interest Payment Date in respect of each Collateral Security

Credit Certificate and the Issuer shall pay any interest that has accrued (and is unpaid) in respect of each Collateral Security Credit Certificate on such Interest Payment Date.

(d) General

For the avoidance of doubt, this Collateral Security Condition 8.3 shall apply only where the Final Terms specify that the Collateral Security Credit Certificates bear interest.

8.4 Satisfaction of the Conditions to Settlement

The "Conditions to Settlement" will be satisfied upon the Calculation Agent delivering to the Issuer a Credit Event Notice.

8.5 Miscellaneous Provisions relating to Collateral Security Credit Certificates

(a) Collateral Asset Withdrawals

The Issuer will use reasonable endeavours to obtain from the Reference Entity payment of the amount specified in the Unwind Notice and all amounts standing to the credit of the Deposit. The Issuer may appoint an agent to assist it in making payments into or withdrawing amounts from the Deposit.

(b) 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 Collateral Security Credit Certificates shall (in the absence of manifest error) be final and binding on the Issuer, the Guarantor and the Holders. In performing its duties pursuant to these Collateral Security Credit Conditions, the Calculation Agent shall act in its sole and absolute discretion acting reasonably and in good faith. 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 Collateral Security Credit Certificates 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 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.

(c) Delivery of Notices

As soon as reasonably practicable after receiving a Credit Event Notice or Extension Notice from the Calculation Agent, the Issuer shall promptly inform, or shall procure that the Calculation Agent informs, the Holders in accordance with W&C Security Condition 10.

8.6 Definitions

The following definitions shall apply to Collateral Security Credit Certificates.

**"Bankruptcy"** means the Reference Entity:

- (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);

- (b) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due;
- (c) makes a general assignment, arrangement or composition with or for the benefit of its creditors;
- (d) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (ii) is not dismissed, discharged, stayed or restrained in each case within thirty calendar days of the institution or presentation thereof;
- (e) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);
- (f) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;
- (g) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within thirty calendar days thereafter; or
- (h) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in paragraphs (a) to (g) above (inclusive).

**"BNP Paribas Group"** means BNP Paribas and its consolidated subsidiaries.

**"Cash Settlement Date"** means the date falling three Business Days (or such other number of days specified in the applicable Final Terms) after the Credit Event Valuation Date.

**"Certificate Value"** means the marked to market value of the Certificate immediately prior to the occurrence of the Credit Event expressed as a percentage of the Notional Amount of the Collateral Security Credit Certificate as determined by the Calculation Agent in its sole discretion and, in respect of such determination, that the Calculation Agent shall ignore the credit-linked component and credit linked provisions of the Collateral Security Credit Certificate for the purposes of such valuation.

**"Credit Derivatives Determinations Committee"** means each committee established by ISDA for the purposes of reaching certain DC Resolutions in connection with credit derivative transactions in the over the counter markets, as more fully described in the Rules.

**"Credit Event"** means the occurrence of a Bankruptcy with respect to the Reference Entity or a Failure to Pay.

If an occurrence would otherwise constitute a Credit Event, such occurrence will constitute a Credit Event whether or not such occurrence arises directly or indirectly from, or is subject to a defence based upon:

- (a) any lack or alleged lack of authority or capacity of a Reference Entity to enter into the Reference Obligation;
- (b) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to the Reference 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 Determination Date"** means the first date on which a Credit Event Notice is effective.

**"Credit Event Notice"** means an irrevocable notice from the Calculation Agent to the Issuer that describes a Credit Event that occurred on or after the Trade Date and on or prior to the earlier of (i) if Automatic Early Redemption Event is specified as applicable in the Final Terms, the Automatic Early Redemption Date immediately following the Automatic Early Redemption Valuation Date on which an Automatic Early Redemption Event has occurred, (ii) the date on which an Enforcement Event occurs and (iii) the day falling two Business Days prior to the Collateral Credit Security Settlement Date.

**"Credit Event Settlement Amount"** means an amount per Certificate subject to a minimum of zero, equal to:

$NA \times (\text{Certificate Value} - \text{Redemption Adjustment})$

**"Credit Event Valuation Date"** means any Business Day from, and including the Credit Event Determination Date to, and including, the Credit Event Valuation Period End Date as selected by the Calculation Agent in its sole discretion (such period, the **"Credit Event Valuation Period"**) provided that the Credit Event Valuation Date may be postponed where the Valuation Extension Condition is satisfied, in which case the Credit Event Valuation Date will be any Business Day from, and including the Credit Event Determination Date to, and including, the last Business Day of the Extended Valuation Period, as selected by the Calculation Agent in its sole discretion.

**"Credit Event Valuation Period End Date"** means, unless specified otherwise in the applicable Final Terms, the day falling 180 Business Days following the Credit Event Determination Date.

**"Collateral Credit Security Settlement Date"** means:

- (a) the Redemption Date; or
- (b) where the Issuer, having received from the Calculation Agent an Extension Notice in relation to the Reference Entity, delivers it to the Holders on or prior to the day falling three Business Days prior to the Redemption Date, the Extended Redemption Date.

**"DC Resolution"** has the meaning given to it in the Rules.

**"Extended Redemption Date"** means the date that is five Business Days following the later of:

- (a) the Redemption Date where paragraph (a) of the definition of "Extension Notice" applies; and
- (b) the last day of the Grace Period where paragraph (b) of the definition of "Extension Notice" applies.

**"Extension Notice"** means a notice delivered by the Calculation Agent to the Issuer stating that (a) without prejudice to sub-paragraph (b), a Credit Event has occurred or may occur on or prior to the Redemption Date or (b) a Potential Failure to Pay has occurred or may occur on or prior to the Redemption Date.

**"Extended Valuation Period"** means the period from, and including the Credit Event Determination Date to, and including the day falling 720 calendar days (or such other day specified in the applicable Final Terms) following the Credit Event Determination Date.

**"Failure to Pay"** means, after the expiration of the Grace Period, 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 the Reference Obligation in accordance with the terms of such Reference Obligation at the time of such failure.

**"Final Price"** means the amount expressed as a percentage of the Reference Obligation Notional Amount (as at the date the Credit Event occurred) equal to:

- (a)
  - (i) the amount received by the Issuer from the Reference Entity in relation to the Reference Obligation in the period from, and including, the day on which the relevant Credit Event occurred to, and including, the last day in the Credit Event Valuation Period; or
  - (i) if the Issuer in its sole discretion acting in a commercially reasonable manner elects to transfer its rights in respect of the Reference Obligation to a third party (which may be an Affiliate of the Issuer) on an arm's length basis and the Issuer effects a transfer of such rights on or prior to the last day in the Credit Event Valuation Period, the amount received from the third party to which the Issuer has been able to transfer its rights related to the Reference Obligation less any costs or expenses incurred in or relating to such transfer;
- (b) where the Valuation Extension Condition is satisfied, the amount paid by the Reference Entity to the Issuer in relation to the Reference Obligation on or prior to the last Business Day of the Extended Valuation Period; and
- (c) if no amount has been paid to the Issuer by the Reference Entity on or prior to the last day of the Credit Event Valuation Period or, if the Valuation Extension Condition is satisfied, the last Business Day of the Extended Valuation Period and the Issuer has not transferred its rights related to the Reference Obligation to a third party on or prior to the last day of the Credit Event Valuation Period, the Final Price shall be deemed to be equal to zero.

For the avoidance of doubt, the Final Price as determined in accordance with sub-paragraphs (a) and (b) above may be deemed to be equal to zero.

**"Grace Period"** means the period of 15 Business Days (or such other period specified in the Final Terms) from the date on which an Unwind Notice has been delivered to the Reference Entity.

**"ISDA"** means the International Swaps and Derivatives Association, Inc. (or any successor thereto).

"NA" means the Notional Amount.

"Non Recovered Loss" means an amount expressed as a percentage calculated in accordance with the following formula:

$$\frac{RONA}{ONA} \times (100\% - \text{Final Price})$$

"Outstanding Notional Amount" or "ONA" means the outstanding nominal amount of all issued Collateral Security Credit Certificates of the relevant series which have not been redeemed or are not held by an entity in the BNP Paribas Group.

"Payment Requirement" means EUR 1 (or such other amount specified in the applicable Final Terms).

"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 in respect of the Reference Obligation, without regard to any grace period or any conditions precedent to the commencement of any grace period applicable to the Reference Obligation, in accordance with the terms of the Reference Obligation at the time of such failure.

"Redemption Adjustment" means the aggregate of (i) any costs expressed as a percentage of the Outstanding Notional Amount payable by the Issuer or any of its Affiliates to unwind or terminate any hedging transaction or hedging positions related to the Certificates and (ii) any Non Recovered Loss in respect of the Reference Obligation.

"Reference Obligation" means a cash deposit by the Issuer (the "Deposit") with the Reference Entity in an amount equal to the Reference Obligation Notional Amount from time to time.

"Reference Obligation Notional Amount" or "RONA" means an amount placed on deposit with the Reference Entity by the Issuer upon issue of the Certificates, which amount may be reduced or increased in the manner set out in Collateral Security Condition 3.2(b).

"Reference Entity" means the party specified as such in the applicable Final Terms and any Successor thereto.

"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.

"Succession Event" means an event such as a merger, consolidation, amalgamation, transfer of assets or liabilities, demerger, spin-off or other similar event in which one entity succeeds to the obligations of another entity, whether by operation of law or pursuant to any agreement;

"Successor" means any direct or indirect successor to the Reference Entity which assumes the Reference Obligation following a Succession Event in respect of the Reference Entity or, if there is more than one such successor entity, the successor entity which assumes the highest proportion of the outstanding balance of the Reference Obligation as determined by the Calculation Agent, provided that if more than one successor entity assumes such highest proportion of such Reference Obligation, the successor entity shall be determined by the Calculation Agent acting in a commercially reasonable manner.

**"Unwind Notice"** means a notice to the Reference Entity requesting the withdrawal of all or any part of the amounts standing to the credit of the Deposit.

**"Valuation Extension Condition"** means (i) the transfer of the Issuer's rights relating the Reference Obligation has not been possible on or prior to the last day in the Credit Event Valuation Period, (ii) no amount has yet been received by the Issuer from the Reference Entity in respect of the Reference Obligation on or prior to the last day in the Credit Event Valuation Period and (iii) the Issuer determines that the Final Price is likely to be higher than zero if there is an Extended Valuation Period and the Credit Event Valuation Date is postponed and it notifies the Issuer and the Calculation Agent accordingly.

## **9. Exercise Rights (Warrants)**

9.1 The first paragraph of W&C Security Condition 24.2 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 W&C Security Condition 24.3 (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."

## **10. Redemption (Certificates)**

W&C Security Condition 34.1-34.8 (inclusive) will not apply.

10.1 General

Unless the Certificates are Exercisable Certificates, subject as provided in these Terms and Conditions, provided no Enforcement Event has occurred, each Certificate (other than a Credit Certificate or Collateral Security Credit Certificate) will be redeemed by the Issuer:

- (a) in the case of a Cash Settled Certificate, by payment of the Cash Settlement Amount; or
- (b) in the case of a Physical Delivery Certificate, subject as provided in W&C Security Conditions 5 and 35, by delivery of the Entitlement,

such redemption to occur in either case, subject as provided below, on the date falling on the fifth Business Day following the Valuation Date, unless specified otherwise in the applicable Final Terms (the "**Redemption Date**"). If (i) the date for payment of any amount in respect of the Certificates is not a Business Day, the holder thereof shall not be entitled to payment until the next following Business Day and shall not be entitled to any further payment in respect of such delay or (ii) the date for delivery of any Entitlement in respect of the Certificates is not a Settlement Business Day (as defined in W&C Security Condition 5.1), the Holder thereof shall not be entitled to delivery of the Entitlement until the next following Settlement Business Day.

The Certificates may also be subject to automatic early redemption upon the occurrence of an Automatic Early Redemption Event, as defined in and in accordance with the provisions of W&C Security Condition 34.9 if specified in the applicable Final Terms.

## 10.2 Credit Certificates and Collateral Security Credit Certificates

Subject as provided in these Terms and Conditions and as specified in the applicable Final Terms and provided no Enforcement Event has occurred, each Credit Certificate and Collateral Security Credit Certificate will be redeemed by the Issuer by payment of the Cash Settlement Amount such redemption to occur on the Redemption Date specified in the applicable Final Terms subject as provided in Annex 12 (Additional Terms and Conditions for Credit Securities) and, in the case of Collateral Security Credit Certificates, Collateral Security Condition 8. If the date for payment of any amount in respect of the Certificates is not a Business Day, the holder thereof shall not be entitled to payment until the next following Business Day and shall not be entitled to any payment in respect of such delay.

## 10.3 Issuer Call Option

If Issuer Call Option is specified in the applicable Final Terms, the Issuer may, provided no Enforcement Event has occurred and having given:

- (a) (a) except in the case of Certificates represented by Private Placement Definitive Certificates and Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, not less than the minimum notice period nor more than the maximum notice period specified in the applicable Final Terms (the "**Notice Period**") notice to the Holders in accordance with W& C Security Condition 10 and, in the case of Certificates represented by Private Placement Definitive Certificates and Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, not less than 30 nor more than 45 days' notice to the Holders in accordance with W& C Security Condition 10; and
- (b) not less than 15 days (or such Notice Period specified in the applicable Final Terms) before the giving of the notice referred to in (a), notice to the relevant Security Agent,

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

In the case of a partial redemption, the rights of Holders of Certificates represented by a Global Security, or Holders of Italian Dematerialised Certificates, Swedish Dematerialised Securities or Finnish Dematerialised Securities will be governed by the standard procedures of Euroclear, Clearstream Luxembourg, Euroclear France, Euroclear Netherlands, DTC, Monte Titoli, Euroclear

Sweden, Euroclear Finland, as applicable, or any relevant Clearing System (as the case may be). With respect to Certificates represented by Private Placement Definitive Certificates, the Definitive Security Agent will select the Certificates to be redeemed individually by lot, not more than 45 days prior to the date fixed for redemption, and give notice to Holders, in accordance with Condition 10, of the serial numbers of the Certificates to be redeemed not less than 15 days prior to the date fixed for redemption. Private Placement Definitive Certificates may only be redeemed in minimum amounts of U.S.\$250,000 or more, and the remaining unredeemed portion thereof must be at least U.S.\$250,000. So long as the Securities are listed on the official list of Euronext Paris ("**Euronext Paris**") and admitted to trading on the regulated market of Euronext Paris and the rules of that stock exchange so require, the Issuer shall, once in each year in which there has been a partial redemption of the Certificates, cause to be published on the website of Euronext Paris (www.euronext.com) a notice specifying the aggregate nominal amount of Certificates outstanding.

#### 10.4 Holder Put Option

If Holder Put Option is specified in the applicable Final Terms, upon the Holder of any Certificate giving to the Issuer not less than the minimum notice period nor more than the maximum notice period notice specified in the applicable Final Terms (the "**Notice Period**") the Issuer will, upon the expiry of such notice and provided no Enforcement Event has occurred, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (but not in part), such Certificate on any date fixed for redemption as specified in the applicable Final Terms (an "**Optional Redemption Date**") and at an amount (the "**Optional Redemption Amount**") specified in, or determined on the date (the "**Optional Redemption Valuation Date**") and in the manner specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date (each date and amount as specified in the applicable Final Terms). If Put Payout 2210 or 2300 is specified as applicable in the applicable Final Terms, the Optional Redemption Amount shall be Put Payout 2210 or Put Payout 2300, as applicable. If the product of Put Payout 2210 or Put Payout 2300, as the case may be is zero, no amount shall be payable on redemption of such Certificate.

If the Certificate is held outside DTC, Euroclear and Clearstream, Luxembourg, Euroclear France, Euroclear Netherlands and/or any other relevant Clearing System, to exercise the right to require redemption of the Certificate the Holder of the Certificate must deliver at the specified office of any Security Agent or the Registrar at any time during normal business hours of such Registrar or Security Agent falling within the Notice Period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Security Agent (a "**Put Notice**") and in which the Holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Collateral Security Condition 10.4, accompanied by the Certificate or evidence satisfactory to the Security Agent concerned that the Certificate will, following delivery of the Put Notice, be held to its order or under its control in a manner reasonably satisfactory to the Security Agent concerned. If the Certificate is held through DTC, Euroclear or Clearstream, Luxembourg, Euroclear France, Euroclear Netherlands, Monte Titoli, Euroclear Sweden, Euroclear Finland and/or any other relevant Clearing System, to exercise the right to require redemption of the Certificate the Holder of the Certificate must, within the Notice Period, give notice to the Security Agent concerned of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg, Euroclear France, Euroclear Netherlands, Monte Titoli, Euroclear Sweden, Euroclear Finland and/or any other relevant Clearing System (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg, Euroclear France, Euroclear Netherlands, Monte Titoli, Euroclear Sweden, Euroclear Finland and/or any other relevant Clearing System or any common depository for them to the Security Agent by electronic means) in a

form acceptable to DTC, Euroclear and Clearstream, Luxembourg, Euroclear France, Euroclear Netherlands, Monte Titoli, Euroclear Sweden, Euroclear Finland and/or any other relevant Clearing System from time to time and, if the Certificate is represented by a Global Certificate, at the same time present or procure the presentation of the relevant Global Certificate to the relevant Security Agent for notation accordingly. In the case of Finnish Dematerialised Certificates, in order to exercise this option the Holder must transfer or procure the transfer of the relevant Certificates have been transferred to the account designed by the Finnish Security Agent and procure that such account is blocked for further transfer on or prior to the Optional Redemption Date. Any Put Notice given by a Holder of any Certificate pursuant to this Collateral Security Condition 10.4 shall be irrevocable.

#### 10.5 Redemption in Instalments

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

#### 10.6 Redemption of Partly Paid Certificates

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

#### 10.7 Exercise of Certificates

If the Certificates are Cash Settled Certificates and Exercise of Certificates is specified as applicable in the applicable Final Terms, provided no Enforcement Event has occurred, the Certificates (such Certificates "**Exercisable Certificates**") will be automatically exercised on the Exercise Date, or, if Multiple Exercise is specified as applicable in the applicable Final Terms, each Exercise Date subject as provided in the following paragraph and, in the case of Credit Certificates, to the provisions of Annex 12 (Additional Terms and Conditions for Credit Securities) and, in the case of Collateral Security Credit Certificates, Collateral Security Condition 8. Upon automatic exercise each Certificate entitles its Holder to receive from the Issuer the Cash Settlement Amount on the Redemption Date or, if Multiple Exercise is specified as applicable in the applicable Final Terms, the relevant Exercise Settlement Date.

If the Certificates are Italian Listed Certificates, prior to the Renouncement Notice Cut-off Time, as specified in the applicable Final Terms, on an Exercise Date, the Holder of a Certificate may renounce automatic exercise of such Certificate by the delivery or sending by fax of a duly completed Renouncement Notice (a "**Renouncement Notice**") in the form set out in the applicable Final Terms to the Italian 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, the Security Agents and the relevant Holder. Subject as set out below, any Renouncement Notice so determined to be incomplete or not in proper form shall be null and void. If such Renouncement Notice is subsequently corrected to the satisfaction of the Italian 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.

#### 10.8 Open End Certificates

If "Open End" is specified as applicable in the relevant Final Terms, the Redemption Date of such Open End Certificates will, notwithstanding any provision to the contrary, be the date falling (5) five Business Days after the relevant Averaging Date, Observation Date, Strike Date or, as applicable,

Valuation Date determined by the Issuer in its sole discretion, provided that the relevant Averaging Date, Observation Date, Strike Date or Valuation Date so-determined by the Issuer is notified to the Holders at the latest ten (10) Business Days prior to the contemplated date in accordance with W&C Security Condition 10.

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

## 11. Payments (Certificates)

W&C Security Condition 35.1 shall not apply. Except in the case of Registered Certificates, Swedish Dematerialised Certificates, Finnish Dematerialised Certificates and subject as provided below, the Issuer shall pay or cause to be paid the Cash Settlement Amount or Credit Event Redemption Amount (if any) (or in the case of Instalment Certificates, each Instalment Amount) or Security Realised Amount and an amount equal to the Shortfall (if any) for each Certificate by credit or transfer to the Holder's account with the relevant Clearing System or the Definitive Security Agent, as the case may be (in the case of English Law Certificates other than Swedish Dematerialised Certificates, Finnish Dematerialised Certificates and Certificates held through Euroclear France ("**Euroclear France Certificates**") and in the case of Certificates held through Euroclear Netherlands ("**Euroclear Netherlands Certificates**") or with the relevant Account Holder (in the case of Euroclear France Certificates or Euroclear Netherlands Certificates) for value on the Redemption Date (or (a) in the case of Instalment Certificates, on the relevant Instalment Date; or (b) if Multiple Exercise is specified as applicable in the applicable Final Terms, on the relevant Exercise Settlement Date) less any Expenses, such payment to be made in accordance with the rules of such Clearing System or the Definitive Security Agent, as the case may be or Account Holder. Payment of any Shortfall by the Guarantor (if any) shall be made in the same manner as the Security Realised Amount is paid by, or on behalf of, the Issuer.

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

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

In the case of OET Certificates, the Issuer shall confirm to the Principal Security Agent and to the relevant Account Holders (in the case of OET Certificates held through Euroclear France or Euroclear Netherlands) or Euroclear and Clearstream, Luxembourg (in the case of OET Certificates held through

Euroclear or Clearstream, Luxembourg), the Cash Settlement Amount to be paid in respect of each OET Certificate.

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

In the case of Registered Certificates, the Issuer shall pay or cause to be paid the Cash Settlement Amount or Credit Event Redemption Amount (if any) (or in the case of Instalment Amount, each Instalment Amount) or Security Realised Amount and an amount equal to the Shortfall (if any) in respect of each Registered Certificate (whether or not in global form) against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Certificate at the specified office of the Registrar or any of the Security Agents by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Certificate appearing in the Register (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear, Clearstream, Luxembourg and/or any other relevant Clearing System are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date (the "**Record Date**"). Notwithstanding the previous sentence, if (i) a holder does not have a Designated Account or (ii) the amount of the Certificates held by a holder is less than U.S.\$250,000 (or integral multiples of U.S.\$1,000 in excess thereof) (or its approximate equivalent in any other Settlement Currency), payment will instead be made by a cheque in the Settlement Currency drawn on a Designated Bank (as defined below). For these purposes, "**Designated Account**" means the account maintained by a holder with a Designated Bank and identified as such in the Register and "**Designated Bank**" means (in the case of payment in a Settlement Currency other than euro) a bank in the principal financial centre of the country of such Settlement Currency and (in the case of a payment in euro) any bank which processes payments in euro. Payment of any Shortfall by the Guarantor (if any) shall be made in the same manner as the Security Realised Amount is paid by, or on behalf of, the Issuer.

In the case of Registered Certificates and where the Certificates pay interest, the Issuer shall pay or cause to be paid the Interest Amount (other than the final Interest Amount) in respect of each Registered Certificate (whether or not in global form) by a cheque in the Settlement Currency drawn on a Designated Bank and mailed by uninsured mail on the business day in the city where the specified office of the Registrar is located immediately preceding the relevant due date to the holder (or the first named of joint holders) of the Registered Certificate appearing in the Register (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear, Clearstream, Luxembourg and/or any other relevant Clearing System are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the fifteenth day (whether or not such fifteenth day is a business day) before the Record Date at his address shown in the Register on the Record Date and at his risk. Upon application of the holder to the specified office of the Registrar not less than three business days in the city where the specified office of the Registrar is located before the due date for any payment of interest in respect of a Registered Certificate, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) in respect of the Registered Certificates which become payable to the holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payment of the Interest Amount due in respect of each Registered Certificate on redemption will be made in the same manner as payment of the Cash Settlement Amount of such Registered Certificate.

Holders of Registered Certificates will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Registered Certificate as a result of a cheque posted in accordance with this Condition arriving after the due date for payment or being lost in the post. No commissions or expenses shall be charged to such holders by the Registrar/relevant Security Agent in respect of any payments of principal or interest in respect of the Registered Certificates.

None of the Issuer, the Guarantor (if applicable), the Collateral Agent or any of the Security Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Certificates or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

A record of each payment made on such Registered Global Certificate, distinguishing between any payment of the Cash Settlement Amount and any Interest Amount, will be made on such Registered Global Certificate by the Registrar to which such Registered Global Certificate is presented for the purpose of making such payment, and such record shall be *prima facie* evidence that the payment in question has been made.

The holder of the relevant Registered Global Certificate shall be the only person entitled to receive payments in respect of Registered Certificates represented by such Registered Global Certificate and the payment obligations of the Issuer or the Guarantor (if any) will be discharged by payment to, or to the order of, the holder of such Registered Global Certificate in respect of each amount so paid. Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be, as the holder of a particular amount of Certificates must look solely to Euroclear and/or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of the relevant Registered Global Certificate. No person other than the holder of the relevant Registered Global Certificate shall have any claim against the Issuer or the Guarantor (if any) in respect of any payments due on that Registered Global Certificate.

In the case of Swedish Dematerialised Certificates, payment of the Cash Settlement Amount (if any) (or in the case of Instalment Certificates, each Instalment Amount) or Credit Event Redemption Amount (if any) Security Realised Amount, Shortfall and Interest Amount (if any) will be made to persons registered as Holders in the register maintained by Euroclear Sweden, in the case of Swedish Dematerialised Certificates issued in nominal, on the fifth Business Day, or in the case of Swedish Dematerialised Certificates issued in units, the fourth Business Day immediately prior to the Redemption Date (or in the case of Instalment Certificates, Instalment Date) or Interest Payment Date, as the case may be (the "**Payment Date**") or the date on which the Enforcement Event occurred (the "**Swedish Record Date**"). The Swedish Security Agent will pay the relevant amount through Euroclear Sweden to each Holder appearing in the Euroclear Sweden Register on the Swedish Record Date on the Payment Date or on the relevant date on which the Security Realised Amount is paid in accordance with these Collateral Security Conditions.

In the case of Finnish Dematerialised Certificates, payment of the Cash Settlement Amount (if any) (or in the case of Instalment Certificates, each Instalment Amount) or Credit Event Redemption Amount (if any), Security Realised Amount, Shortfall and Interest Amount (if any) will be made to persons registered as Holders in the register maintained by Euroclear Finland, in the case of Finnish Dematerialised Certificates issued in nominal, on the Business Day preceding the Redemption Date (or in the case of Instalment Certificates, Instalment Date) or Interest Payment Date, as the case may be (the "**Finnish Payment Date**"), or in the case of Finnish Dematerialised Certificates issued in units, on the fifth trading day following the Redemption Valuation Date (both referred to as the "**Finnish Record Date**"). The Finnish Security Agent will pay the relevant amount to each Holder appearing in

the Euroclear Finland Register on the Finnish Record Date, in the case of Finnish Dematerialised Certificates issued in nominal, on the Finnish Payment Date (being the first Business Day following the Finnish Record Date), or, in the case of Finnish Dematerialised Certificates issued in units, on the third Business Day following the Finnish Record Date, or on the occurrence of an Enforcement Event, in accordance with the rules and regulations of Euroclear Finland. 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 applicable provisions specified in the applicable Final Terms, or from the provisions of the Finnish Act on the Book-Entry System (*Fin. laki arvo-osuusjärjestelmästä* (826/1991)) and the Finnish Act on Book-Entry Accounts (*Fin. laki arvo-osuustileistä* (827/1991)).

If the determination of any amount in respect of interest or premium amount due in respect of the Certificates on an Interest Payment Date or Premium Amount Payment Date (such date a "**Scheduled Payment Date**") is calculated by reference to the valuation of one or more Underlying Reference(s) and the date (or final date, as the case may be) for such valuation is postponed or delayed as provided in the Terms and Conditions to a date (such date the "**Delayed Date**") falling less than two Business Days preceding such Scheduled Payment Date, notwithstanding any provision to the contrary in the Terms and Conditions such Interest Payment Date or Premium Amount Payment Date, as the case may be, shall be postponed to the day falling two Business Days following such Delayed Date and no interest, premium or other amount shall be payable on the Certificates in respect of such delay.

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

## Part B

This Part B shall only apply if the Final Terms of the Securities specify that Part B of Annex 13 (Additional Terms and Conditions for Secured Securities) applies and/or that the relevant Secured Securities are Collateral Asset Linked Securities. Where this Part B applies, for the avoidance of doubt, the terms of Part A of Annex 13 and Part C of Annex 13 shall not apply to the Securities. This Part B may only apply to Secured Securities which are Certificates and may not apply to Secured Securities which are Warrants.

### 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 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 the product of (i) aggregate number of Secured Securities of a series held by a Holder which are secured by the Relevant Reference Collateral Assets expressed as a proportion of the total number of Secured Securities of such series which are secured by the Relevant Reference Collateral Assets and (ii) the Relevant Reference Collateral Assets;

**"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;

**"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;

**"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 Linked Security"** means a Certificate in respect of which the Final Terms specify that Part B of Annex 13 (Additional Terms and Conditions for Secured Securities) will apply;

**"Collateral Asset Issuer"** means the issuer of, and/or obligor in respect of, any relevant Collateral Assets;

**"Collateral Assets"** means any Reference Collateral Assets and MTM Adjustable Assets specified as 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 Asset Default Determination Date"** means the date on which it is determined in accordance with Collateral Security Condition 7.2 that a Collateral Asset Default or Collateral Asset Default Event, as the case may be, has occurred;

**"Collateral Calculation Agent"** means BNP Paribas Arbitrage S.N.C. or such other entity specified in the applicable Final Terms;

**"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 Reference Collateral Assets in such Collateral Pool to Holders in accordance with Collateral Security Condition 3.6;

**"Collateral Delivery Rounding Amount"** has the meaning given to it in Collateral Security Condition 3.6;

**"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 the series of Secured Securities, the pro rata share of each Secured Security (excluding any Secured Securities held by the Issuer or an Affiliate) in the Aggregate Collateral Proceeds Share applicable to such series of Secured Securities. For the avoidance of doubt, the Aggregate Collateral Proceeds Share applicable to each Security held by the Issuer or an Affiliate shall be equal to zero.

**"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 Valuation Date"** means a date on which the Collateral Calculation Agent determines the marked to market value of the MTM Adjustable Assets in the relevant Collateral Pool, and the marked to market value of the relevant Placed Secured Securities, on such periodic basis as is specified in the applicable Final Terms;

**"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 Secured Security and a Holder, the *pro rata* share of a Secured Security within such series in the Aggregate Delivery Share applicable to such Holder;

**"Default Notification"** means the delivery of a written notice by a Holder, or if applicable, the Distributor acting on behalf of a Holder to each of the Issuer, the Principal Security Agent and the

Collateral Agent 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;

**"Distributor"** means the party specified as such in the applicable Final Terms;

**"Eligible Collateral"** means 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 as MTM Adjustable Assets and/or Reference Collateral Assets in the applicable Final Terms;

**"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 thereof, including any costs, expenses and taxes incurred in connection with the realisation of, or enforcement with respect to, the MTM Adjustable Assets in the Collateral Pool and the distribution of such proceeds, the delivery of the Reference Collateral Assets to the Holders of the Secured Securities and any other unpaid amounts payable to the Collateral Agent 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 MTM Adjustable Assets to satisfy in whole or in part its obligation to deliver MTM Adjustable Assets to the Collateral Account (i) where it is required to do so or (ii) where it has elected to substitute MTM Adjustable 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 MTM Adjustable Assets to the Collateral Account or (ii) elects to substitute MTM Adjustable Assets in the Collateral Account, in each case in accordance with the Collateral Security Conditions;

"**Final Security Value**" means, (expressed as an amount) in respect of a Secured Security, a *pro rata* share of the marked-to-market value of the portion of the Option that relates to Placed Secured Securities, as determined for the purposes of Collateral Security Condition 3.2 as at the Collateral Valuation Date immediately prior to the Enforcement Event;

"**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;

"**Hedging Failure Determination Date**" means the date on which the Issuer determines that a Hedging Failure has occurred;

"**Initial Posting Date**" has the meaning given to it in respect of the relevant series of Secured Securities in the Final Terms;

"**Issuer**" means BNPP B.V.;

"**MTM Adjustable Assets**" means (i) Eligible Collateral which is specified in the applicable Final Terms to be MTM Adjustable Assets for the relevant Collateral Pool; and (ii) any Fallback Collateral (if applicable);

"**MTM Collateralisation Element**" means the holding of MTM Adjustable Assets by the Issuer in the Collateral Account in order to collateralise the marked to market value of the portion of the Option which relates to the Placed Secured Securities;

"**MTM Security Enforcement Proceeds**" means the net proceeds of realisation of, or enforcement with respect to, the MTM Adjustable Assets in a Collateral Pool;

"**nominal value**" means, in respect of any Secured Security, the Notional Amount of such Secured Security;

"**Nominal Value Collateralisation Element**" means the holding of the Reference Collateral Assets by the Issuer in the Collateral Account in order to collateralise the Notional Amount of the Placed Secured Securities;

"**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 Scheduled Underlying Reference Linked Payments in respect of the 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;

"**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;

**"Realisation Amount"** means the net realisation proceeds of the MTM Adjustable Assets following payment in full of all Enforcement Expenses;

**"Realisation Proceeds"** means the remaining proceeds from the realisation of the MTM Adjustable Assets in a Collateral Pool following payment of 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 MTM Adjustable Assets, including any Enforcement Expenses;

**"Realisation Proceeds Share"** means in respect of a Secured Security, such Secured Security's *pro rata* share of the Realisation Proceeds;

**"Reference Collateral Assets"** means Eligible Collateral which is specified in the applicable Final Terms as the Reference Collateral Assets for the relevant Collateral Pool;

**"Reference Collateral Asset Issuer"** means the issuer of the Reference Collateral Assets, as specified in the applicable Final Terms;

**"Reference Collateral Event Cash Settlement 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 or the Hedging Failure Determination Date, as the case may be, of the Option, as determined by the Calculation Agent;

**"Reference Delivery Amount"** means, in respect of each Placed Secured Security, a nominal amount of Relevant Reference Collateral Assets equal to the Notional Amount of such Placed Secured Security or such other amount specified in the applicable Final Terms;

**"Relevant Reference Collateral Assets"** means, in respect of a series of Secured Securities, the Reference Collateral Assets in a Collateral Pool which are specified in the applicable Final Terms as the Reference Collateral Assets for such series;

**"Scheduled Underlying Reference Linked Payment"** means any Premium Amount and/or any other amount specified as such in the applicable Final Terms;

**"Securities Value"** means, subject to a minimum of zero, the sum of the marked-to-market values of the portion of the Option that relates to Placed Secured Securities secured by the relevant Collateral Pool;

**"Security Interests"** means any pledge, other encumbrance or security interest created under a Pledge Agreement;

**"Security MTM Termination Amount"** means, in respect of a Secured Security, the Realisation Proceeds Share applicable to such Secured Security or such other amount specified in the applicable Final Terms;

**"Security Realised Amount"** is as defined in Collateral Security Condition 3.5;

**"Security Termination Amount"** means the Security MTM Termination Amount or such other 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 Reference Collateral Assets**" means any Reference 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 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 W&C 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**

W&C 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 Collateral Assets in respect of Secured Securities where the Issuer and/or any of its Affiliates is 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.

In respect of the Nominal Value Collateralisation Element, the Issuer will transfer into the Collateral Account on the Initial Posting Date and hold in such account on any day thereafter, an aggregate

nominal amount of the Reference Collateral Assets, at least equal to the aggregate Notional Amount of the Placed Secured Securities on such date. Where the Issuer or any of its Affiliates acquires Secured Securities after the Initial Posting Date, the Issuer will be entitled to withdraw an aggregate nominal amount of Reference Collateral Assets equal to the aggregate Notional Amount of the Secured Securities so acquired, provided that the Issuer shall always hold in the Collateral Account an aggregate nominal amount of the Reference Collateral Assets at least equal, at any time, to the aggregate Notional Amount of the Placed Secured Securities.

In respect of the MTM Collateralisation Element, the Issuer will transfer MTM Adjustable Assets to and from the Collateral Account (based on the valuation provided by the Collateral Calculation Agent in respect of the immediately preceding Collateral Valuation Date) so that it will hold in respect of the relevant Collateral Pool (excluding, for the avoidance of doubt, any Reference Collateral Assets that are held in the Collateral Account to collateralise the aggregate Notional Amount of the Placed Secured Securities) MTM Adjustable Assets with an aggregate marked-to-market value (as determined by the Collateral Calculation Agent and which will take into account the relevant Haircut (if a Haircut is specified as applicable in the applicable Final Terms) at least equal to the Securities Value applicable to the relevant Collateral Pool (as determined in respect of the immediately preceding Collateral Valuation Date).

In the period between Collateral Valuation Dates BNPP B.V. may withdraw MTM Adjustable Assets from the Collateral Account provided that it replaces them with alternative MTM Adjustable 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.

### 3.3 Realisation of Collateral Assets

If an Enforcement Event occurs, the Collateral Agent shall enforce the Pledge and realise the MTM Adjustable Assets (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 MTM Adjustable 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 3.3-3.7 (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 MTM Adjustable 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 MTM Adjustable 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 MTM Adjustable 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 MTM Adjustable 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**

The Realisation Proceeds 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 and that the Collateral Proceeds Share will be equal to zero in respect of any Secured Securities which are not Placed Secured Securities.

#### 3.5 **Shortfall**

In the event that, following the application of the MTM Security 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 MTM 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**

Following enforcement of the Pledge, the Collateral Agent, will deliver the Relevant Reference Collateral Assets in a Collateral Pool to the Holders of the Secured Securities secured by the relevant Collateral Pool on a *pari passu* and *pro rata* basis between those Holders of Secured Securities secured by the same Relevant Reference Collateral Assets. Delivery of such Reference Collateral Assets will fully extinguish the Issuer's obligations in respect of the Notional Amount of the relevant Secured Securities notwithstanding that the value of the Reference Collateral Assets so delivered may be less than the market value and/or nominal value of the relevant Secured Security.

Any such delivery shall be made in accordance with W&C Security Conditions 30 and 35.2 (as if the relevant Secured Securities were Physical Delivery Certificates for such purpose) and the Entitlement in respect of each Secured Security shall be deemed to be a Secured Security's Delivery Share following payment of any sums (including Expenses as defined in Condition 11) due in respect of such Secured Securities and rounded down as set out in this Collateral Security Condition 3.6. W&C Security Condition 35.2(d) shall not apply to the delivery of Relevant Reference Collateral Assets in accordance with this Collateral Security Condition 3.6 and Secured Securities held by the same Holder will be aggregated for the purpose of determining the aggregate Entitlements in respect of the Secured Securities of a series, provided that the aggregate Entitlement in respect of the same Holder will be rounded down to the nearest whole unit of the Relevant Reference Collateral Assets and fractions of the Relevant Reference Collateral Assets will not be delivered. The Relevant Reference Collateral Assets which it is not possible to deliver to a Holder due to such rounding 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 and a *pro rata* share of

the resulting amount (the "**Collateral Delivery Rounding Amount**") shall be paid to each Holder whose Entitlement is subject to such rounding calculated on the basis of the aggregate number of Secured Securities held by the relevant Holder as set out in this Collateral Security Condition 3.6.

In connection with such delivery, (i) W&C Security Condition 5 shall not apply, (ii) for the purposes of W&C Security Condition 11.1, Security Expenses shall be deemed to include any Enforcement Expenses which are incurred in delivery of the Relevant Reference Collateral Assets in accordance with this Collateral Security Condition 3.6, (iii) the Collateral Agent shall be entitled to deduct from the Reference Collateral Assets deliverable and/or the Collateral Delivery Rounding Amount payable 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 W&C Security Conditions as applicable to "Relevant Assets" shall be deemed, in connection with a delivery of Reference Collateral Assets in accordance with this Collateral Security Condition 3.6, to be a reference to "Reference Collateral Assets."

Where Enforcement Expenses are payable which are not attributable to a particular series of Secured Securities which are secured by the same Collateral Pool, the Collateral Agent shall, in the first instance, use the amounts realised from the sale of the relevant MTM Adjustable Assets in accordance with Collateral Security Condition 3.3 to meet the payment of these expenses. If there are no MTM Adjustable Assets for the Collateral Agent to sell or the proceeds from a sale of all the MTM Adjustable Assets in a Collateral Pool are insufficient to meet the Enforcement Expenses in full, the Collateral Agent shall be entitled to sell sufficient Relevant Reference Collateral Assets in respect of each of the different series of Collateral Asset Linked Securities secured by the relevant Collateral Pool in order to pay such Enforcement Expenses. In order to determine which Reference Collateral Assets to sell, the Collateral Agent shall apportion the Enforcement Expenses *pro rata* between each series of Secured Securities secured by the relevant Collateral Pool on the basis of the nominal value of each such series and then shall sell sufficient amount of each type of Relevant Reference Collateral Assets to pay the Enforcement Expenses as so apportioned between each series of Secured Securities secured by the relevant 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 Reference Collateral Assets comprising the Entitlement, the Collateral Delivery Date for the Reference 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 Reference 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 W&C 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 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 **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.

### 3.9 **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.

### 3.10 **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 3 June 2013, or the French Law Guarantee for Unsecured W&C Securities dated 3 June 2013, 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.

### 3.11 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 MTM Adjustable Assets that are not Fallback Collateral; and
- (b) on each Collateral Valuation Date where the Issuer is permitted to withdraw MTM Adjustable Assets from the Collateral Account due to a reduction in the amount or value of the MTM Adjustable Assets which the Issuer is required to hold in the applicable Collateral Account, the Issuer shall withdraw MTM Adjustable Assets that are Fallback Collateral prior to withdrawing any MTM Adjustable Assets that are 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**

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 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 and the Collateral Custodian whereupon the Secured Securities shall become immediately due and payable at their Security Termination Amount, and the Issuer shall be obliged to deliver the Entitlement in respect of each Secured Security 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).

Any of the following events (each an "**Event of Default**") shall entitle a Holder, or the Distributor, 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 W&C Security Condition 10.

## 6.2 Enforcement

The Collateral Agent shall not be bound to take any action under or in connection with the Pledge Agreement (including without limitation enforcing the Pledge upon the Pledge becoming enforceable) (i) unless a Holder, or the Distributor acting on the instructions of a Holder, has delivered a Default Notification, no Event Dispute Notice in respect of such Default Notification at or prior to the end of the Dispute Period and the Collateral Agent has, as a result, delivered an Enforcement Notice 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 all the Pledges in accordance with all the Pledge Agreements relating to all the Collateral Pools.

No Holder shall be entitled to enforce the Pledges or to proceed directly against the Issuer to enforce the other provisions of the Pledge Agreement 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 Pledge, and after the realisation and liquidation in full of all the MTM Adjustable Assets in a Collateral Pool, the Collateral Agent shall determine the Security Termination Amount (and, if applicable, any Shortfall) in respect of each Secured Security and shall notify such amount to the Holders following such realisation and liquidation.

Upon delivery of the relevant Reference Collateral Assets in accordance with Collateral Security Condition 3.6 to the Holders, no further amount will be due to the Holders in respect of the Notional Amount of the Secured Securities.

If the Issuer fails to pay the Security MTM Termination Amount in full to a Holder in respect of a Secured Security held by such Holder, the amount by which the amount actually paid to the Holders is

less than the Security MTM Termination Amount shall constitute a "Shortfall". The Issuer shall remain liable for the Shortfall, and in the event the Issuer fails to pay all of the Shortfall as and when it becomes due, the Guarantor will be liable for such Shortfall pursuant to the terms of the Guarantee.

No Holder shall be entitled to have recourse to the Collateral Assets contained in any Collateral Pool other than the Collateral Pool which relates to the Secured Securities it holds.

### 6.3 **Redemption and cancellation**

Following (a) 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 MTM Termination Amount and (b) delivery to the Holder of a Secured Security of Reference Collateral Assets in an amount equal to the relevant Delivery Share by the Collateral Agent (together with any Collateral Delivery Rounding Amount payable), the relevant Secured Security shall be deemed to have been redeemed.

## 7. **Additional Disruption Events**

7.1 The following changes will apply to W&C Security Condition 15:

- (a) The definition of Additional Disruption Events in W&C Security Condition 15.1 shall be deleted and replaced with the following:

**"Additional Disruption Event"** means each of Change of Law, Hedging Disruption, Increased Cost of Hedging, Collateral Disruption and Increased Cost of Collateral Assets;"

- (b) The following definitions shall be deemed to have been inserted in W&C 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 (a) any of the Reference 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 Reference 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 Reference Collateral Assets or (c) any rescheduling, Restructuring, subordination, exchange or material amendment is announced by the Reference Collateral Asset Issuer or any governmental authority or occurs, in respect of the Reference 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);".

**"Collateral Default Event"** means, in respect of a series of Secured Securities, any Reference 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 Reference 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;

~~(c)~~ The following definition shall be deemed to have been inserted in W&C Security Condition 15.1 after the definition of Hedging Disruption and before the definition of Hedging Shares:

""Hedging Failure" means that the Issuer is unable, after using commercially reasonable efforts, to maintain any arrangements it has entered into in order to hedge the Issuer's obligations with respect to the Secured Securities;".

~~(e)(d)~~ The following definition shall be deemed to have been inserted in W&C 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)(e)~~ The definition of Optional Additional Disruption Events in W&C 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 Default Event, Currency Event, Failure to Deliver due to Illiquidity, Force Majeure Event, Hedging Failure, Increased Cost of Stock Borrow, Jurisdiction Event, Insolvency Filing, Loss of Stock Borrow and/or Stop-Loss Event, in each case if specified in the applicable Final Terms;".

~~(e)(f)~~ The following definition shall be deemed to have been inserted in W&C 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 Reference 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 Reference Collateral Assets causing the subordination of the Reference Collateral Assets to any other obligation under which the Reference Collateral Asset Issuer is an obligor; or
- (iv) any change in the currency or composition of any payment of principal under the Reference Collateral Assets,

provided that, in the case of each of (i) to (iv) above:

- (b) 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
- (c) such event directly or indirectly results from a deterioration in the creditworthiness or financial condition of the Reference Collateral Asset Issuer;

~~(f)~~(g) Notwithstanding the first sentence of W&C 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 W&C Security Condition 15.2(b) or (c).

7.2 The following shall apply where an Optional Additional Disruption Event occurs which is a Collateral Asset Default~~-or~~, Collateral Default Event or a Hedging Failure (as applicable) and W&C Security Condition 15 shall not apply in connection with such Optional Additional Disruption Event. The Issuer shall redeem the Secured Securities as soon as reasonably practicable after the occurrence of the Collateral Asset Default~~-or~~, Collateral Default Event or Hedging Failure, as the case may be, by (a) delivering the Relevant Reference Collateral Assets in the Collateral Pool to the applicable Holders of the Secured Securities and W&C Security Conditions 30 and 35.2 shall apply and, for such purposes, the Secured Securities shall be deemed to be Physical Delivery Certificates and the Entitlement shall be deemed to be the Reference Delivery Amount 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 Relevant Reference Collateral Assets and fractions of the Relevant Reference Collateral Assets will not be delivered, as set out in W&C Security Condition 35.2(d)~~-~~ and (b) payment to the Holders of Secured Securities of an amount equal to the Reference Collateral Event Cash Settlement Amount.

Any reference in the W&C Security Conditions to Relevant Assets shall be deemed to be, in connection with a Collateral Asset Default~~-or~~, a Collateral Default Event or a Hedging Failure, as the case may be, a reference to the Reference Collateral Assets comprising the Entitlement. Delivery of the Entitlement and payment of the Reference Collateral Event Cash Settlement Amount shall satisfy the Issuer's obligations in full in respect of the Secured Securities which, upon such payment and delivery, shall be redeemed.

In order to determine whether a Collateral Asset Default or a Collateral Default Event, as the case may be, has occurred, the Calculation Agent and the Distributor (if any) will consult in good faith for up to five Business Days following the notification by the Calculation Agent or the Distributor to the other party of the potential occurrence of a Collateral Asset Default or a Collateral Asset Issuer Default, as the case may be, (a "**Consultation Period**") to agree whether or not a Collateral Asset Default or a Collateral Default Event, as the case may be, has occurred.

If, following a Consultation Period, the Calculation Agent and the Distributor are not in agreement as to the occurrence or non-occurrence of a Collateral Asset Default or a Collateral Default Event, as the case may be, the Calculation Agent will consult three participants in the market for the Reference Collateral Assets that are independent of the Issuer, the Distributor or their respective Affiliates as to whether a Collateral Asset Default or a Collateral Default Event, as the case may be, has occurred. The majority view of such market participants shall be the binding determination and any costs incurred in obtaining such views shall be borne by the Calculation Agent or the Distributor whichever held the view during the relevant Consultation Period that did not correspond to the majority view of the market participants.

If it is not possible to obtain the views of three such market participants, the original determination of the Calculation Agent as to whether a Collateral Asset Default or a Collateral Event Default, as the case may be, has occurred shall apply. If there is no Distributor specified in the applicable Final Terms, the Calculation Agent will determine whether a Collateral Asset Default or a Collateral Default Event, as the case may be, has occurred.

If a Collateral Asset Default ~~or~~, a Collateral Default Event or a Hedging Failure, 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 and, in connection with such cancellation, the notional amount of the Option will be reduced to reflect the reduced aggregate Notional Amount of the Secured Securities.

Following the determination that a Collateral Asset Default ~~or~~, a Collateral Default Event or a Hedging Failure, as the case may be, has occurred, the Calculation Agent will notify the Holders in accordance with W&C Security Condition 10. From, and including, the Collateral Asset Default Determination Date or Hedging Failure Determination Date, as the case may be, no further Scheduled Underlying Reference Linked Payments will be made.

## **8. Exercise Rights (Warrants)**

- 8.1 The first paragraph of W&C Security Condition 24.2 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."

- 8.2 The first paragraph of W&C Security Condition 24.3 (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."

## 9. Notional Value Collateral Asset Linked Securities

### 9.1 General

This Collateral Security Condition 9 shall apply only where MTM Adjustable Assets are specified as being "not applicable" in respect of the applicable Collateral Asset Linked Securities ("Notional Value Collateral Asset Linked Securities"). The terms of the Collateral Security Conditions shall apply to Notional Value Collateral Asset Linked Securities save as set out or modified in this Collateral Security Condition 9.

### 9.2 Changes to the Collateral Security Conditions

In respect of Notional Value Collateral Asset Linked Securities, the following changes shall be made to the Collateral Security Conditions:

- (a) the third and fourth paragraphs of Collateral Security Condition 3.2 shall be deleted in their entirety;
- (b) the text of Collateral Security Condition 3.3 shall be deleted and replaced with the words "Not used.";
- (c) the text of Collateral Security Condition 3.4 shall be deleted and replaced with the words "Not used.";
- (d) Collateral Security Condition 3.5 shall be deleted in its entirety and replaced with the following:

#### "3.5 Shortfall

In addition to the physical delivery of the Relevant Reference Collateral Assets as set out in Collateral Security Condition 3.6 following the occurrence of an Enforcement Event, the Issuer will also be obliged, in lieu of the Cash Settlement Amount, to pay to a Holder an amount equal to the Security MTM Termination Amount determined in respect of the Secured Securities held by such Holder and such amount shall constitute the "Shortfall" in respect of such Secured Security. For the avoidance of doubt, the Issuer is not obliged to hold Collateral Assets in respect of the Security MTM Termination Amount in the Collateral Account and no Holder shall have any recourse to any Collateral Pool other than the Collateral Pool applicable to that series of Secured Securities.";

- (e) the third paragraph of Collateral Security Condition 3.6 shall be deleted in its entirety and replaced with the following:

"In connection with such delivery, (i) W&C Security Condition 5 shall not apply, (ii) for the purposes of W&C Security Condition 11.1, Security Expenses shall be deemed not to include any Enforcement Expenses which are incurred in delivery of the Collateral Assets in accordance with this Collateral Security Condition 3.6 which such Enforcement Expenses (if any) will instead be payable in the manner agreed between the Issuer and Collateral Agent, (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 W&C 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 "Reference Collateral Assets";

- (f) the following words shall be deleted from the first and second sentences of the final paragraph of Collateral Security Condition 3.6:

" , in the first instance, use the amounts realised from the sale of the relevant MTM Adjustable Assets in accordance with Collateral Security Condition 3.3 to meet the payment of these expenses. If there are no MTM Adjustable Assets for the Collateral Agent to sell or the proceeds from a sale of all the MTM Adjustable Assets in a Collateral Pool are insufficient to meet the Enforcement Expenses in full, the Collateral Agent shall";

- (g) the third paragraph of Collateral Security Condition 6.2 shall be deleted and replaced with the following:

"No Holder shall be entitled to enforce the Pledges or to proceed directly against the Issuer to enforce the other provisions of the Pledge Agreement 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 Pledge, the Collateral Agent shall determine the Security MTM Termination Amount (and therefore the Shortfall) in respect of each Secured Security and shall notify such amount to the Holders following the occurrence of the Enforcement Event (and in connection with such determination may appoint one or more agents to assist it with such determination).";

- (h) the fifth paragraph of Collateral Security Condition 6.2 shall be deleted in its entirety;

- (i) Collateral Security Condition 6.3 shall be amended by the deletion of all the text thereof and its replacement with the following:

"Following (a) payment in full by the Issuer and/or the Guarantor of the Shortfall (if any) in respect of a Secured Security and (b) delivery to the Holder of a Secured Security of Reference Collateral Assets in an amount equal to the relevant Delivery Share by the Collateral Agent (together with any Collateral Delivery Rounding Amount payable), the relevant Secured Security shall be deemed to have been redeemed."; and

- (j) the following definitions in Collateral Security Condition 1 shall be replaced with the definitions set out below:

"**Enforcement Expenses**" means all amounts due to the Collateral Agent and/or any appointee thereof, including any costs, expenses and taxes incurred in connection with the delivery of the Reference Collateral Assets to the Holders of the Secured Securities and any other unpaid amounts payable to the Collateral Agent under the Agency Agreement.

"**Security MTM Termination 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 date on which the Collateral Agent delivers an Enforcement Notice in accordance with Collateral Security Condition 6.1, of the Option, as determined by the Collateral Agent.

## 9.10. **Redemption (Certificates)**

W&C Security Conditions 34.1-34.8 (inclusive) will not apply.

### 9.10.1 General

Unless the Certificates are Exercisable Certificates, subject as provided in these Terms and Conditions, provided no Enforcement Event has occurred, each Certificate (other than a Credit Certificate) will be redeemed by the Issuer:

- (a) in the case of a Cash Settled Certificate, by payment of the Cash Settlement Amount; or
- (b) in the case of a Physical Delivery Certificate, subject as provided in W&C Security Conditions 5 and 35, by delivery of the Entitlement,

such redemption to occur in either case, subject as provided below, on the date falling on the fifth Business Day following the Valuation Date, unless date specified otherwise in the applicable Final Terms (the "**Redemption Date**"). If (i) the date for payment of any amount in respect of the Certificates is not a Business Day, the holder thereof shall not be entitled to payment until the next following Business Day and shall not be entitled to any further payment in respect of such delay or (ii) the date for delivery of any Entitlement in respect of the Certificates is not a Settlement Business Day (as defined in W&C Security Condition 5.1), the Holder thereof shall not be entitled to delivery of the Entitlement until the next following Settlement Business Day.

The Certificates may also be subject to automatic early redemption upon the occurrence of an Automatic Early Redemption Event, as defined in and in accordance with the provisions of W&C Security Condition 34.9 if specified in the applicable Final Terms.

### 9.10.2 Credit Certificates

Subject as provided in these Terms and Conditions and as specified in the applicable Final Terms and provided no Enforcement Event has occurred, each Credit Certificate will be redeemed by the Issuer by payment of the Cash Settlement Amount such redemption to occur on the Redemption Date specified in the applicable Final Terms subject as provided in Annex 12 (Additional Terms and Conditions for Credit Securities). If the date for payment of any amount in respect of the Certificates is not a Business Day, the holder thereof shall not be entitled to payment until the next following Business Day and shall not be entitled to any payment in respect of such delay.

### 9.10.3 Issuer Call Option

If Issuer Call Option is specified in the applicable Final Terms, the Issuer may, provided no Enforcement Event has occurred and having given:

- (a) except in the case of Certificates represented by Private Placement Definitive Certificates and Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, not less than the minimum notice period nor more than the maximum notice period specified in the applicable Final Terms (the "**Notice Period**") notice to the Holders in accordance with W&C Security Condition 10 and, in the case of Certificates represented by Private Placement Definitive Certificates and Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, not less than 30 nor more than 45 days' notice to the Holders in accordance with W&C Security Condition 10; and

- (b) not less than 15 days (or such Notice Period specified in the applicable Final Terms) before the giving of the notice referred to in (i), notice to the relevant Security Agent,

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

In the case of a partial redemption, the rights of Holders of Certificates represented by a Global Security, or Holders of Italian Dematerialised Certificates, Swedish Dematerialised Securities or Finnish Dematerialised Securities will be governed by the standard procedures of Euroclear, Clearstream Luxembourg, Euroclear France, Euroclear Netherlands, DTC, Monte Titoli, Euroclear Sweden, Euroclear Finland, as applicable, or any relevant Clearing System (as the case may be). With respect to Certificates represented by Private Placement Definitive Certificates, the Definitive Security Agent will select the Certificates to be redeemed individually by lot, not more than 45 days prior to the date fixed for redemption, and give notice to Holders, in accordance with [W&C Security Condition 10](#), of the serial numbers of the Certificates to be redeemed not less than 15 days prior to the date fixed for redemption. Private Placement Definitive Certificates may only be redeemed in minimum amounts of U.S.\$250,000 or more, and the remaining unredeemed portion thereof must be at least U.S.\$250,000. So long as the Securities are listed on the official list of Euronext Paris ("**Euronext Paris**") and admitted to trading on the regulated market of Euronext Paris and the rules of that stock exchange so require, the Issuer shall, once in each year in which there has been a partial redemption of the Certificates, cause to be published on the website of Euronext Paris ([www.euronext.com](http://www.euronext.com)) a notice specifying the aggregate nominal amount of Certificates outstanding.

#### 9.4.10.4 **Holder Put Option**

If Holder Put Option is specified in the applicable Final Terms, upon the Holder of any Certificate giving to the Issuer not less than the minimum notice period nor more than the maximum notice period notice specified in the applicable Final Terms (the "**Notice Period**") the Issuer will, upon the expiry of such notice and provided no Enforcement Event has occurred, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (but not in part), such Certificate on any date fixed for redemption as specified in the applicable Final Terms (an "**Optional Redemption Date**") and at an amount (the "**Optional Redemption Amount**") specified in, or determined on the date (the "**Optional Redemption Valuation Date**") and in the manner specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date (each date and amount as specified in the applicable Final Terms). If Put Payout 2210 or 2300 is specified as applicable in the applicable Final Terms, the Optional Redemption Amount shall be Put Payout 2210 or Put Payout 2300, as applicable. If the product of Put Payout 2210 or Put Payout 2300, as the case may be is zero, no amount shall be payable on redemption of such Certificate.

If the Certificate is held outside DTC, Euroclear and Clearstream, Luxembourg, Euroclear France, Euroclear Netherlands and/or any other relevant Clearing System, to exercise the right to require redemption of the Certificate the Holder of the Certificate must deliver at the specified office of any Security Agent or the Registrar at any time during normal business hours of such Registrar or Security Agent falling within the Notice Period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Security Agent (a "**Put Notice**") and in which the Holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Collateral Security Condition [9.4.10.4](#).

accompanied by the Certificate or evidence satisfactory to the Security Agent concerned that the Certificate will, following delivery of the Put Notice, be held to its order or under its control in a manner reasonably satisfactory to the Security Agent concerned. If the Certificate is held through DTC, Euroclear or Clearstream, Luxembourg, Euroclear France, Euroclear Netherlands, Monte Titoli, Euroclear Sweden, Euroclear Finland and/or any other relevant Clearing System, to exercise the right to require redemption of the Certificate the Holder of the Certificate must, within the Notice Period, give notice to the Security Agent concerned of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg, Euroclear France, Euroclear Netherlands, Monte Titoli, Euroclear Sweden, Euroclear Finland and/or any other relevant Clearing System (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg, Euroclear France, Euroclear Netherlands, Monte Titoli, Euroclear Sweden, Euroclear Finland and/or any other relevant Clearing System or any common depositary for them to the Security Agent by electronic means) in a form acceptable to DTC, Euroclear and Clearstream, Luxembourg, Euroclear France, Euroclear Netherlands, Monte Titoli, Euroclear Sweden, Euroclear Finland and/or any other relevant Clearing System from time to time and, if the Certificate is represented by a Global Certificate, at the same time present or procure the presentation of the relevant Global Certificate to the relevant Security Agent for notation accordingly. In the case of Finnish Dematerialised Certificates, in order to exercise this option the Holder must transfer or procure the transfer of the relevant Certificates have been transferred to the account designed by the Finnish Security Agent and procure that such account is blocked for further transfer on or prior to the Optional Redemption Date. Any Put Notice given by a Holder of any Certificate pursuant to this Collateral Security Condition [9-410.4](#) shall be irrevocable.

#### 9.510.5 **Redemption in Instalments**

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

#### 9.610.6 **Redemption of Partly Paid Certificates**

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

#### 9.710.7 **Exercise of Certificates**

If the Certificates are Cash Settled Certificates and Exercise of Certificates is specified as applicable in the applicable Final Terms, provided no Enforcement Event has occurred, the Certificates (such Certificates "**Exercisable Certificates**") will be automatically exercised on the Exercise Date, or, if Multiple Exercise is specified as applicable in the applicable Final Terms, each Exercise Date subject as provided in the following paragraph and, in the case of Credit Certificates, to the provisions of Annex 12 (Additional Terms and Conditions for Credit Securities). Upon automatic exercise each Certificate entitles its Holder to receive from the Issuer the Cash Settlement Amount on the Redemption Date or, if Multiple Exercise is specified as applicable in the applicable Final Terms, the relevant Exercise Settlement Date.

If the Certificates are Italian Listed Certificates, prior to the Renouncement Notice Cut-off Time, as specified in the applicable Final Terms, on an Exercise Date, the Holder of a Certificate may renounce automatic exercise of such Certificate by the delivery or sending by fax of a duly completed Renouncement Notice (a "**Renouncement Notice**") in the form set out in the applicable Final Terms to the Italian 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, the Security Agents and the relevant Holder. Subject as set out below, any Renouncement Notice so determined to be incomplete or not in proper form shall be null and void. If such Renouncement Notice is subsequently corrected to the satisfaction of the Italian 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.

#### 9.810.8 **Open End Certificates**

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

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

#### 10.11. **Payments (Certificates)**

W&C Security Condition 35.1 shall not apply. Except in the case of Registered Certificates, Swedish Dematerialised Certificates, Finnish Dematerialised Certificates and subject as provided below, the Issuer shall pay or cause to be paid the Cash Settlement Amount or Credit Event Redemption Amount (if any) (or in the case of Instalment Certificates, each Instalment Amount) or Security Realised Amount and an amount equal to the Shortfall (if any) for each Certificate by credit or transfer to the Holder's account with the relevant Clearing System or the Definitive Security Agent, as the case may be (in the case of English Law Certificates other than Swedish Dematerialised Certificates, Finnish Dematerialised Certificates and Certificates held through Euroclear France ("**Euroclear France Certificates**") and in the case of Certificates held through Euroclear Netherlands ("**Euroclear Netherlands Certificates**") or with the relevant Account Holder (in the case of Euroclear France Certificates or Euroclear Netherlands Certificates) for value on the Redemption Date (or (a) in the case of Instalment Certificates, on the relevant Instalment Date; or (b) if Multiple Exercise is specified as applicable in the applicable Final Terms, on the relevant Exercise Settlement Date) less any Expenses, such payment to be made in accordance with the rules of such Clearing System or the Definitive Security Agent, as the case may be or Account Holder. Payment of any Shortfall by the Guarantor (if any) shall be made in the same manner as the Security Realised Amount is paid by, or on behalf of, the Issuer.

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

Except in the case of Registered Certificates, Swedish Dematerialised Certificates and Finnish Dematerialised Certificates, the Issuer or the Guarantor will be discharged by payment to, or to the order of, the relevant Clearing System or the Definitive Security Agent, as the case may be, or, as the

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

In the case of OET Certificates, the Issuer shall confirm to the Principal Security Agent and to the relevant Account Holders (in the case of OET Certificates held through Euroclear France or Euroclear Netherlands) or Euroclear and Clearstream, Luxembourg (in the case of OET Certificates held through Euroclear or Clearstream, Luxembourg), the Cash Settlement Amount to be paid in respect of each OET Certificate.

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

In the case of Registered Certificates, the Issuer shall pay or cause to be paid the Cash Settlement Amount or Credit Event Redemption Amount (if any) (or in the case of Instalment Amount, each Instalment Amount) or Security Realised Amount and an amount equal to the Shortfall (if any) in respect of each Registered Certificate (whether or not in global form) against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Certificate at the specified office of the Registrar or any of the Security Agents by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Certificate appearing in the Register (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear, Clearstream, Luxembourg and/or any other relevant Clearing System are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date (the "**Record Date**"). Notwithstanding the previous sentence, if (i) a holder does not have a Designated Account or (ii) the amount of the Certificates held by a holder is less than U.S.\$250,000 (or integral multiples of U.S.\$1,000 in excess thereof) (or its approximate equivalent in any other Settlement Currency), payment will instead be made by a cheque in the Settlement Currency drawn on a Designated Bank (as defined below). For these purposes, "**Designated Account**" means the account maintained by a holder with a Designated Bank and identified as such in the Register and "**Designated Bank**" means (in the case of payment in a Settlement Currency other than euro) a bank in the principal financial centre of the country of such Settlement Currency and (in the case of a payment in euro) any bank which processes payments in euro. Payment of any Shortfall by the Guarantor (if any) shall be made in the same manner as the Security Realised Amount is paid by, or on behalf of, the Issuer.

In the case of Registered Certificates and where the Certificates pay interest, the Issuer shall pay or cause to be paid the Interest Amount (other than the final Interest Amount) in respect of each Registered Certificate (whether or not in global form) by a cheque in the Settlement Currency drawn on a Designated Bank and mailed by uninsured mail on the business day in the city where the specified office of the Registrar is located immediately preceding the relevant due date to the holder (or the first named of joint holders) of the Registered Certificate appearing in the Register (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear, Clearstream, Luxembourg and/or any other relevant Clearing System are open for business) before the relevant due

date, and (ii) where in definitive form, at the close of business on the fifteenth day (whether or not such fifteenth day is a business day) before the Record Date at his address shown in the Register on the Record Date and at his risk. Upon application of the holder to the specified office of the Registrar not less than three business days in the city where the specified office of the Registrar is located before the due date for any payment of interest in respect of a Registered Certificate, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) in respect of the Registered Certificates which become payable to the holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payment of the Interest Amount due in respect of each Registered Certificate on redemption will be made in the same manner as payment of the Cash Settlement Amount of such Registered Certificate.

Holders of Registered Certificates will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Registered Certificate as a result of a cheque posted in accordance with this Condition arriving after the due date for payment or being lost in the post. No commissions or expenses shall be charged to such holders by the Registrar/relevant Security Agent in respect of any payments of principal or interest in respect of the Registered Certificates.

None of the Issuer, the Guarantor (if applicable), the Collateral Agent or any of the Security Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Certificates or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

A record of each payment made on such Registered Global Certificate, distinguishing between any payment of the Cash Settlement Amount and any Interest Amount, will be made on such Registered Global Certificate by the Registrar to which such Registered Global Certificate is presented for the purpose of making such payment, and such record shall be *prima facie* evidence that the payment in question has been made.

The holder of the relevant Registered Global Certificate shall be the only person entitled to receive payments in respect of Registered Certificates represented by such Registered Global Certificate and the payment obligations of the Issuer or the Guarantor (if any) will be discharged by payment to, or to the order of, the holder of such Registered Global Certificate in respect of each amount so paid. Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be, as the holder of a particular amount of Certificates must look solely to Euroclear and/or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of the relevant Registered Global Certificate. No person other than the holder of the relevant Registered Global Certificate shall have any claim against the Issuer or the Guarantor (if any) in respect of any payments due on that Registered Global Certificate.

In the case of Swedish Dematerialised Certificates, payment of the Cash Settlement Amount (if any) (or in the case of Instalment Certificates, each Instalment Amount) or Credit Event Redemption Amount (if any) Security Realised Amount, Shortfall and Interest Amount (if any) will be made to persons registered as Holders in the register maintained by Euroclear Sweden, in the case of Swedish Dematerialised Certificates issued in nominal, on the fifth Business Day, or in the case of Swedish Dematerialised Certificates issued in units, the fourth Business Day immediately prior to the Redemption Date (or in the case of Instalment Certificates, Instalment Date) or Interest Payment Date, as the case may be (the "**Payment Date**") or the date on which the Enforcement Event occurred (the "**Swedish Record Date**"). The Swedish Security Agent will pay the relevant amount through

Euroclear Sweden to each Holder appearing in the Euroclear Sweden Register on the Swedish Record Date on the Payment Date or on the relevant date on which the Security Realised Amount is paid in accordance with these Collateral Security Conditions.

In the case of Finnish Dematerialised Certificates, payment of the Cash Settlement Amount (if any) (or in the case of Instalment Certificates, each Instalment Amount) or Credit Event Redemption Amount (if any), Security Realised Amount, Shortfall and Interest Amount (if any) will be made to persons registered as Holders in the register maintained by Euroclear Finland, in the case of Finnish Dematerialised Certificates issued in nominal, on the Business Day preceding the Redemption Date (or in the case of Instalment Certificates, Instalment Date) or Interest Payment Date, as the case may be (the "**Finnish Payment Date**"), or in the case of Finnish Dematerialised Certificates issued in units, on the fifth trading day following the Redemption Valuation Date (both referred to as the "**Finnish Record Date**"). The Finnish Security Agent will pay the relevant amount to each Holder appearing in the Euroclear Finland Register on the Finnish Record Date, in the case of Finnish Dematerialised Certificates issued in nominal, on the Finnish Payment Date (being the first Business Day following the Finnish Record Date), or, in the case of Finnish Dematerialised Certificates issued in units, on the third Business Day following the Finnish Record Date, or on the occurrence of an Enforcement Event, in accordance with the rules and regulations of Euroclear Finland. 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 applicable provisions specified in the applicable Final Terms, or from the provisions of the Finnish Act on the Book-Entry System (*Fin. laki arvo-osuusjärjestelmästä* (826/1991)) and the Finnish Act on Book-Entry Accounts (*Fin. laki arvo-osuustileistä* (827/1991)).

If the determination of any amount in respect of interest or premium amount due in respect of the Certificates on an Interest Payment Date or Premium Amount Payment Date (such date a "**Scheduled Payment Date**") is calculated by reference to the valuation of one or more Underlying Reference(s) and the date (or final date, as the case may be) for such valuation is postponed or delayed as provided in the Terms and Conditions to a date (such date the "**Delayed Date**") falling less than two Business Days preceding such Scheduled Payment Date, notwithstanding any provision to the contrary in the Terms and Conditions such Interest Payment Date or Premium Amount Payment Date, as the case may be, shall be postponed to the day falling two Business Days following such Delayed Date and no interest, premium or other amount shall be payable on the Certificates in respect of such delay.

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

## 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 and Part B 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 Asset Linked Security"** means a Certificate in respect of which the Final Terms specify that Collateral Security Condition 9 will apply;

**"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 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 3.7;

**"Collateral Delivery Rounding Amount"** has the meaning given to it in Collateral Security Condition 3.6;

**"Collateral Early Settlement Amount"** has the meaning given to it in Collateral Security Condition 7.3;

**"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 Security Credit Certificate"** means a Certificate in respect of which the Final Terms specify that Collateral Security Condition 8 will apply;

**"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 which is a Certificate, 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 Credit Event Redemption Amount, 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 aggregate of the Collateral Delivery Rounding Amount and 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 if such Secured Securities are Certificates and 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 if such Secured Securities are Certificates and 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 and such Secured Security is a Certificate, 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 and such Secured Security is a Certificate, 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 and such Secured Security is a Certificate, the nominal value of such Secured Security;

- (f) if Shortfall Value Amount is specified in the applicable Final Terms and such Secured Security is a Certificate, 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 W&C 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**

W&C 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.

In connection with any such delivery in respect of Certificates which are Secured Securities, such delivery shall be made in accordance with W&C Security Conditions 30 and 35.2 and the Entitlement shall be deemed to be a Security's Delivery Share. Where delivery of the Collateral Assets is due to be made in respect of Secured Securities which are Warrants, W&C Security Conditions 22, 24 and 25 (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 shall be deemed to be a Warrant's Delivery Share.

In connection with such delivery, (i) W&C Security Condition 5 shall not apply, (ii) for the purposes of W&C 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 W&C 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".

The final sentence of the first paragraph of W&C Security Condition 35.2(d) shall not apply and the Collateral Assets which it is not possible to deliver to a Holder due to such rounding 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 and a pro rata share of the resulting amount (the "**Collateral Delivery Rounding Amount**") shall be paid to each Holder whose Entitlement is subject to such rounding.

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 W&C 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 in the case of Warrants, 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). For the avoidance of doubt, the Collateral Split Rounding Amount will be payable in addition to any Collateral Delivery Rounding Amount payable in accordance with Collateral Security Condition 3.6.
- (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 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 3 June 2013, or the French Law Guarantee for Unsecured W&C Securities dated 3 June 2013, 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 W&C 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 Redemption and 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 redeemed (in the case of Certificates) or cancelled (in the case of Warrants). 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 redeemed (in the case of Certificates) or cancelled (in the case of Warrants).

## 7. Additional Disruption Events

7.1 The following changes will apply to W&C Security Condition 15:

- (a) The definition of Additional Disruption Events in W&C Security Condition 15.1 shall be deleted and replaced with the following:

**"Additional Disruption Event"** means each of Change of Law, Hedging Disruption, Increased Cost of Hedging, Collateral Disruption and Increased Cost of Collateral Assets;"

- (b) The following definitions shall be deemed to have been inserted in W&C 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 W&C 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 W&C 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, Failure to Deliver due to Illiquidity, Force Majeure Event, Increased Cost of Stock Borrow, Jurisdiction Event, Insolvency Filing, Loss of Stock Borrow and/or Stop-Loss Event, in each case if specified in the applicable Final Terms;"

- (e) Notwithstanding the first sentence of W&C 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 W&C Security Condition 15.2(b) or (c).

7.2 The following shall apply where an Optional Additional Disruption Event occurs which is a Collateral Asset Default and W&C Security Condition 15 shall not apply in connection with such Optional Additional Disruption Event.

- (a) Where the relevant Secured Securities are Certificates and 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 W&C 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, redeem the Secured Securities by payment of an amount equal to such Secured Security's Collateral Early Settlement Amount on the expiry of such notice.

- (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) in the case of Certificates, 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 W&C Security Condition 10 that each Certificate is to be redeemed at its Collateral Early Settlement Amount pursuant to this Collateral Security Condition 7.2(b)(i) 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 it shall redeem each Secured Security by payment of an amount equal to such Secured Security's Collateral Early Settlement Amount; or

(ii) in the case of Certificates or Warrants, 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 Secured Securities which are Certificates, W&C

Security Conditions 30 and 35.2 shall apply and, for such purposes, the Certificates shall be deemed to be Physical Delivery Certificates and the Entitlement (unless specified otherwise in the applicable Final Terms) shall be deemed to be the Certificate's pro rata share of the Collateral Assets held by the Issuer in respect of the relevant Collateral Pool. Any reference in the W&C Security Conditions to Relevant Assets shall be deemed to be, in connection with a Collateral Asset Default, a reference to the Collateral Assets which are comprised in the Entitlement for such Secured Security. Where delivery of the Collateral Assets is due to be made in respect of Secured Securities which are Warrants, W&C Security Conditions 22, 24 and 25 (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) Subject as provided below, in the case of Certificates, in the event that some only of the Collateral Assets in the relevant Collateral Pool become repayable (the "**Repayable Assets**") pursuant to Collateral Security Conditions 7.2(a) or 7.2(b)(i) above, each Certificate will be partially redeemed on a pro rata basis in a nominal amount equal to the proportion of the then outstanding aggregate nominal amount of the Certificates that the principal amount of the Repayable Assets bears to the aggregate principal amount of all of the Collateral Assets, subject as provided below.
  - (d) Where Collateral Physical Settlement has been specified as applicable in the applicable Final Terms and a Settlement Disruption Event occurs, W&C 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 For the purpose of Collateral Security Conditions 7.2(a) and 7.2(b)(i), the Collateral Early Settlement Amount in respect of each Certificate will, unless otherwise specified in the applicable Final Terms, be the lesser of:
- (a) the Security Realised Amount in respect of such Certificate (determined in accordance with Collateral Security Condition 3) or where Collateral Security Condition 7.2(a) is applicable, such Secured Security's pro rata share of the redemption proceeds or, where the Collateral Asset is a cash deposit, the Issuer receives the amount due to it on the relevant repayment of the deposit received by the Issuer in respect of the relevant Collateral Assets; and
  - (b) an amount calculated as follows:
    - (i) in the case of Certificates with a Cash Settlement Amount equal to the Issue Price, at the Cash Settlement Amount thereof; or
    - (ii) in the case of Certificates with a Cash Settlement Amount which is or may be less or greater than the Issue Price or which is payable in a Settlement Currency other than that in which the Certificates are denominated, at the amount specified in, or determined in the manner specified in, the applicable Final Terms or, if no such amount or manner is so specified in the applicable Final Terms, at its outstanding nominal amount,

together with, in either case, unless otherwise specified in the applicable Final Terms, an amount in respect of interest (if any) accrued on such Certificate from and including the immediately preceding Interest Payment Date or, if none, the Interest Commencement Date to and including the date of redemption.

## **8. Collateral Security Credit Certificates**

### 8.1 General

This Collateral Security Condition 8 shall only apply if the applicable Final Terms specify that Collateral Security Condition 8 applies and that the relevant Secured Securities are Collateral Security Credit Certificates. Where this Collateral Security Condition 8 applies, for the avoidance of doubt, the terms of Annex 13 shall not apply to the Secured Securities. This Collateral Security Condition 8 may only apply to Secured Securities which are Certificates and in respect of which the only Collateral Asset is the Reference Obligation and may not apply to Secured Securities which are Warrants.

### 8.2 Redemption

#### (a) Redemption absent Satisfaction of Conditions to Settlement

The Issuer will redeem each Collateral Security Credit Certificate on the related Collateral Credit Security Settlement Date (as such date may be extended in accordance with the definition thereof) by payment of an amount equal to the Cash Settlement Amount of such Certificate unless:

- (i) an Automatic Early Redemption Event has occurred (if applicable);
- (ii) an Enforcement Event has occurred;
- (iii) the Collateral Security Credit Certificates have been previously redeemed or purchased or cancelled in full (including pursuant to Collateral Security Condition 8.2(b)); or
- (iv) a Credit Event occurs and the Conditions to Settlement are satisfied in respect of such Credit Event, in which event the Issuer shall redeem the Collateral Security Credit Certificates in accordance with Collateral Security Condition 8.2(b).

#### (b) Redemption following Satisfaction of Conditions to Settlement

Upon the satisfaction of the Conditions to Settlement in relation to the Reference Entity, each Certificate will be redeemed at the Credit Event Settlement Amount on the Cash Settlement Date in full satisfaction of the Issuer's obligations under such Collateral Security Credit Certificate unless an Enforcement Event occurs on or prior to such Cash Settlement Date. Where the Conditions to Settlement are satisfied in relation to the Reference Entity but an Enforcement Event occurs on or prior to the Cash Settlement Date, Collateral Security Condition 3 shall apply.

#### (c) Miscellaneous provisions relating to Redemption

Any amount payable under Collateral Security Condition 8.2(b) shall be rounded downwards to the nearest sub-unit of the relevant currency.

### 8.3 Interest

#### (a) Cessation of Interest Accrual

Upon the occurrence of a Credit Event Determination Date in respect of the Reference Entity, interest shall cease to accrue with effect from, and including, either:

- (i) the Interest Payment Date immediately preceding such Credit Event Determination Date (or, in the case of the first Interest Period, the Interest Commencement Date); or
- (ii) if so specified in the applicable Final Terms, such Credit Event Determination Date.

(b) Interest following Scheduled Maturity

Subject always to Collateral Security Condition 8.3(a), if an Extension Notice has been given, no interest will accrue on each Collateral Security Credit Certificate which is outstanding from, and including, the Redemption Date to, and including, the related Collateral Credit Security Settlement Date.

(c) Interest Payment Dates

If the Collateral Security Credit Certificates are redeemed pursuant to the W&C Security Conditions, the Collateral Security Conditions or this Collateral Security Condition 8.3(a), the Redemption Date, the Collateral Credit Security Settlement Date (if not the Redemption Date) or the Cash Settlement Date, as the case may be, shall be an Interest Payment Date in respect of each Collateral Security Credit Certificate and the Issuer shall pay any interest that has accrued (and is unpaid) in respect of each Collateral Security Credit Certificate on such Interest Payment Date.

(d) General

For the avoidance of doubt, this Collateral Security Condition 8.3 shall apply only where the Final Terms specify that the Collateral Security Credit Certificates bear interest.

8.4 Satisfaction of the Conditions to Settlement

The "**Conditions to Settlement**" will be satisfied upon the Calculation Agent delivering to the Issuer a Credit Event Notice.

8.5 Miscellaneous Provisions relating to Collateral Security Credit Certificates

(a) Collateral Asset Withdrawals

The Issuer will use reasonable endeavours to obtain from the Reference Entity payment of the amount specified in the Unwind Notice and all amounts standing to the credit of the Deposit. The Issuer may appoint an agent to assist it in making payments into or withdrawing amounts from the Deposit.

(b) 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 Collateral Security Credit Certificates shall (in the absence of manifest error) be final and binding on the Issuer, the Guarantor and the Holders. In performing its duties pursuant to these Collateral Security Credit Conditions, the Calculation Agent shall act in its sole and absolute discretion acting reasonably and in good faith. 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 Collateral Security Credit Certificates 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 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.

(c) Delivery of Notices

As soon as reasonably practicable after receiving a Credit Event Notice or Extension Notice from the Calculation Agent, the Issuer shall promptly inform, or shall procure that the Calculation Agent informs, the Holders in accordance with W&C Security Condition 10.

8.6 Definitions

The following definitions shall apply to Collateral Security Credit Certificates.

**"Bankruptcy"** means the Reference Entity:

- (i) is dissolved (other than pursuant to a consolidation, amalgamation or merger);
- (ii) 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;
- (iii) makes a general assignment, arrangement or composition with or for the benefit of its creditors;
- (iv) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (ii) is not dismissed, discharged, stayed or restrained in each case within thirty calendar days of the institution or presentation thereof;
- (v) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);
- (vi) 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;
- (vii) 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
- (viii) 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 paragraphs (i) to (vii) above (inclusive).

**"BNP Paribas Group"** means BNP Paribas and its consolidated subsidiaries.

**"Cash Settlement Date"** means the date falling three Business Days (or such other number of days specified in the applicable Final Terms) after the Credit Event Valuation Date.

**"Certificate Value"** means the marked to market value of the Certificate immediately prior to the occurrence of the Credit Event expressed as a percentage of the Notional Amount of the Collateral Security Credit Certificate as determined by the Calculation Agent in its sole discretion and, in respect of such determination, that the Calculation Agent shall ignore the credit-linked component and credit linked provisions of the Collateral Security Credit Certificate for the purposes of such valuation.

**"Credit Derivatives Determinations Committee"** means each committee established by ISDA for the purposes of reaching certain DC Resolutions in connection with credit derivative transactions in the over the counter markets, as more fully described in the Rules.

**"Credit Event"** means the occurrence of a Bankruptcy with respect to the Reference Entity or a Failure to Pay.

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:

- (i) any lack or alleged lack of authority or capacity of a Reference Entity to enter into the Reference Obligation;
- (ii) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to the Reference Obligation, however described;
- (iii) 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
- (iv) 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 Determination Date"** means the first date on which a Credit Event Notice is effective.

**"Credit Event Notice"** means an irrevocable notice from the Calculation Agent to the Issuer that describes a Credit Event that occurred on or after the Trade Date and on or prior to the earlier of (i) if Automatic Early Redemption Event is specified as applicable in the Final Terms, the Automatic Early Redemption Date immediately following the Automatic Early Redemption Valuation Date on which an Automatic Early Redemption Event has occurred, (ii) the date on which an Enforcement Event occurs and (iii) the day falling two Business Days prior to the Collateral Credit Security Settlement Date.

**"Credit Event Settlement Amount"** means an amount per Certificate subject to a minimum of zero, equal to:

$NA \times (\text{Certificate Value} - \text{Redemption Adjustment})$

**"Credit Event Valuation Date"** means any Business Day from, and including the Credit Event Determination Date to, and including, the Credit Event Valuation Period End Date as selected by the Calculation Agent in its sole discretion (such period, the "Credit Event Valuation Period") provided

that the Credit Event Valuation Date may be postponed where the Valuation Extension Condition is satisfied, in which case the Credit Event Valuation Date will be any Business Day from, and including the Credit Event Determination Date to, and including, the last Business Day of the Extended Valuation Period, as selected by the Calculation Agent in its sole discretion.

**"Credit Event Valuation Period End Date"** means, unless specified otherwise in the applicable Final Terms, the day falling 180 Business Days following the Credit Event Determination Date.

**"Collateral Credit Security Settlement Date"** means:

- (a) the Redemption Date; or
- (b) where the Issuer, having received from the Calculation Agent an Extension Notice in relation to the Reference Entity, delivers it to the Holders on or prior to the day falling three Business Days prior to the Redemption Date, the Extended Redemption Date.

**"DC Resolution"** has the meaning given to it in the Rules.

**"Extended Redemption Date"** means the date that is five Business Days following the later of:

- (a) the Redemption Date where paragraph (a) of the definition of "Extension Notice" applies; and
- (b) the last day of the Grace Period where paragraph (b) of the definition of "Extension Notice" applies.

**"Extension Notice"** means a notice delivered by the Calculation Agent to the Issuer stating that (a) without prejudice to sub-paragraph (b), a Credit Event has occurred or may occur on or prior to the Redemption Date or (b) a Potential Failure to Pay has occurred or may occur on or prior to the Redemption Date.

**"Extended Valuation Period"** means the period from, and including the Credit Event Determination Date to, and including the day falling 720 calendar days (or such other day specified in the applicable Final Terms) following the Credit Event Determination Date.

**"Failure to Pay"** means, after the expiration of the Grace Period, 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 the Reference Obligation in accordance with the terms of such Reference Obligation at the time of such failure.

**"Final Price"** means the amount expressed as a percentage of the Reference Obligation Notional Amount (as at the date the Credit Event occurred) equal to:

- (a) (i) the amount received by the Issuer from the Reference Entity in relation to the Reference Obligation in the period from, and including, the day on which the relevant Credit Event occurred to, and including, the last day in the Credit Event Valuation Period; or
- (i) if the Issuer in its sole discretion acting in a commercially reasonable manner elects to transfer its rights in respect of the Reference Obligation to a third party (which may be an Affiliate of the Issuer) on an arm's length basis and the Issuer effects a transfer of such rights on or prior to the last day in the Credit Event Valuation Period, the amount received from the third party to which the Issuer has been able to transfer

its rights related to the Reference Obligation less any costs or expenses incurred in or relating to such transfer;

- (b) where the Valuation Extension Condition is satisfied, the amount paid by the Reference Entity to the Issuer in relation to the Reference Obligation on or prior to the last Business Day of the Extended Valuation Period; and
- (c) if no amount has been paid to the Issuer by the Reference Entity on or prior to the last day of the Credit Event Valuation Period or, if the Valuation Extension Condition is satisfied, the last Business Day of the Extended Valuation Period and the Issuer has not transferred its rights related to the Reference Obligation to a third party on or prior to the last day of the Credit Event Valuation Period, the Final Price shall be deemed to be equal to zero.

For the avoidance of doubt, the Final Price as determined in accordance with sub-paragraphs (a) and (b) above may be deemed to be equal to zero.

**"Grace Period"** means the period of 15 Business Days (or such other period specified in the Final Terms) from the date on which an Unwind Notice has been delivered to the Reference Entity.

**"ISDA"** means the International Swaps and Derivatives Association, Inc. (or any successor thereto).

**"NA"** means the Notional Amount.

**"Non Recovered Loss"** means an amount expressed as a percentage calculated in accordance with the following formula:

**"Outstanding Notional Amount"** or **"ONA"** means the outstanding nominal amount of all issued Collateral Security Credit Certificates of the relevant series which have not been redeemed or are not held by an entity in the BNP Paribas Group.

**"Payment Requirement"** means EUR 1 (or such other amount specified in the applicable Final Terms).

**"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 in respect of the Reference Obligation, without regard to any grace period or any conditions precedent to the commencement of any grace period applicable to the Reference Obligation, in accordance with the terms of the Reference Obligation at the time of such failure.

**"Redemption Adjustment"** means the aggregate of (i) any costs expressed as a percentage of the Outstanding Notional Amount payable by the Issuer or any of its Affiliates to unwind or terminate any hedging transaction or hedging positions related to the Certificates and (ii) any Non Recovered Loss in respect of the Reference Obligation.

**"Reference Obligation"** means a cash deposit by the Issuer (the "Deposit") with the Reference Entity in an amount equal to the Reference Obligation Notional Amount from time to time.

**"Reference Obligation Notional Amount"** or **"RONA"** means an amount placed on deposit with the Reference Entity by the Issuer upon issue of the Certificates, which amount may be reduced or increased in the manner set out in Collateral Security Condition 3.2(b).

**"Reference Entity"** means the party specified as such in the applicable Final Terms and any Successor thereto.

"**Rules**" means the Credit Derivatives Determinations Committee Rules, as published by ISDA on its website at www.isda.org (or any successor website thereto) from time to time and as amended from time to time in accordance with the terms thereof.

"**Succession Event**" means an event such as a merger, consolidation, amalgamation, transfer of assets or liabilities, demerger, spin-off or other similar event in which one entity succeeds to the obligations of another entity, whether by operation of law or pursuant to any agreement;

"**Successor**" means any direct or indirect successor to the Reference Entity which assumes the Reference Obligation following a Succession Event in respect of the Reference Entity or, if there is more than one such successor entity, the successor entity which assumes the highest proportion of the outstanding balance of the Reference Obligation as determined by the Calculation Agent, provided that if more than one successor entity assumes such highest proportion of such Reference Obligation, the successor entity shall be determined by the Calculation Agent acting in a commercially reasonable manner.

"**Unwind Notice**" means a notice to the Reference Entity requesting the withdrawal of all or any part of the amounts standing to the credit of the Deposit.

"**Valuation Extension Condition**" means (i) the transfer of the Issuer's rights relating the Reference Obligation has not been possible on or prior to the last day in the Credit Event Valuation Period, (ii) no amount has yet been received by the Issuer from the Reference Entity in respect of the Reference Obligation on or prior to the last day in the Credit Event Valuation Period and (iii) the Issuer determines that the Final Price is likely to be higher than zero if there is an Extended Valuation Period and the Credit Event Valuation Date is postponed and it notifies the Issuer and the Calculation Agent accordingly.

## 9. Collateral Asset Linked Securities

### 9.1 General

This Collateral Security Condition 9 shall only apply if the applicable Final Terms specify that Collateral Security Condition 9 applies and that the relevant Secured Securities are Collateral Asset Linked Securities. The terms of the Collateral Security Conditions (save for Collateral Security Condition 8) shall apply to Collateral Asset Linked Securities save as set out or modified in this Collateral Security Condition 9. This Collateral Security Condition 9 may only apply to Secured Securities which are Certificates and may not apply to Secured Securities which are Warrants.

### 9.2 Changes to Collateral Security Conditions

In respect of Collateral Asset Linked Securities, the following changes shall be made to the Collateral Security Conditions:

- (a) Collateral Security Condition 3.2 (Security) shall be deleted in its entirety and replaced with the following:

#### "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 Collateral Assets in respect of Secured Securities where the Issuer and/or any of its Affiliates is 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.

In respect of the Nominal Value Collateralisation Element, the Issuer will transfer into the Collateral Account on the Initial Posting Date and hold in such account on any day thereafter, an aggregate nominal amount of the Reference Collateral Assets, at least equal to the aggregate Notional Amount of the Placed Secured Securities on such date. Where the Issuer or any of its Affiliates acquires Secured Securities after the Initial Posting Date, the Issuer will be entitled to withdraw an aggregate nominal amount of Reference Collateral Assets equal to the aggregate Notional Amount of the Secured Securities so acquired, provided that the Issuer shall always hold in the Collateral Account an aggregate nominal amount of the Reference Collateral Assets at least equal, at any time, to the aggregate Notional Amount of the Placed Secured Securities.

In respect of the MTM Collateralisation Element, the Issuer will transfer MTM Adjustable Assets to and from the Collateral Account (based on the valuation provided by the Collateral Calculation Agent in respect of the immediately preceding Collateral Valuation Date) so that it will hold in respect of the relevant Collateral Pool (excluding, for the avoidance of doubt, any Reference Collateral Assets that are held in the Collateral Account to collateralise the aggregate Notional Amount of the Placed Secured Securities) MTM Adjustable Assets with an aggregate marked-to-market value (as determined by the Collateral Calculation Agent and which will take into account the relevant Haircut (if a Haircut is specified as applicable in the applicable Final Terms) at least equal to the Securities Value applicable to the relevant Collateral Pool (as determined in respect of the immediately preceding Collateral Valuation Date))."

- (b) The first sentence of Collateral Security Condition 3.3 shall be deleted and replaced with the following:

"If an Enforcement Event occurs, the Collateral Agent shall enforce the Pledge and realise the MTM Adjustable Assets (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 MTM Adjustable Assets or otherwise or would experience an unreasonable delay in doing so."

- (c) All references to "Collateral Assets" in Collateral Security Condition 3.3 shall be deemed to be references to "MTM Adjustable Assets" only.

- (d) Collateral Security Condition 3.4 (Application of proceeds) shall be deleted in its entirety and replaced with the following:

"3.4 Application of proceeds

The Realisation Proceeds 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 and that the Collateral Proceeds Share will be equal to zero in respect of any Secured Securities which are not Placed Secured Securities."

- (e) Collateral Security Condition 3.5 (Shortfall) shall be deleted in its entirety and replaced with the following:

"3.5 Shortfall

In the event that, following the application of the MTM Security 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 MTM 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."

- (f) Collateral Security Condition 3.6 (Physical Delivery of Collateral Assets) shall be deleted in its entirety and replaced with the following:

"3.6 Physical Delivery of Collateral

Following enforcement of the Pledge, the Collateral Agent, will deliver the Reference Collateral Assets in a Collateral Pool to the Holders of the Secured Securities secured by the relevant Collateral Pool on a pari passu and pro rata basis. Delivery of such Reference Collateral Assets will fully extinguish the Issuer's obligations in respect of the Notional Amount of the relevant Secured Securities notwithstanding that the value of the Collateral Assets so delivered may be less than the market value and/or nominal value of the relevant Secured Security.

Any such delivery shall be made in accordance with W&C Security Conditions 30 and 35.2 and the Entitlement shall be deemed to be a Security's pro rata share of the Reference Collateral Assets held by the Issuer in respect of the relevant Collateral Pool.

In connection with such delivery, (i) W&C Security Condition 5 shall not apply, (ii) for the purposes of W&C Security Condition 11.1, Security Expenses shall be deemed to include any Enforcement Expenses which are incurred in delivery of the Reference Collateral Assets in accordance with this Collateral Security Condition 3.6, (iii) the Collateral Agent shall be entitled to deduct from the Reference Collateral 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 W&C Security Conditions to "Relevant Assets" shall be deemed, in connection with a delivery of Reference Collateral Assets in accordance with this Collateral Security Condition 3.6, to be a reference to "Reference Collateral Assets."

- (g) Collateral Security Condition 3.7 (Settlement Disruption) shall be deleted in its entirety and replaced with the following:

"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 Reference Collateral Assets comprising the Entitlement, the Collateral Delivery Date for the Reference 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 Reference 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 W&C 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 in the case of Warrants, 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."

- (h) The first paragraph of Collateral Security Condition 6.1 (Events of Default) shall be deleted and replaced by the following:

"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 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 and the Collateral Custodian whereupon the Secured Securities shall become immediately due and payable at their Security Termination Amount, and the Issuer shall be obliged to deliver the Entitlement in respect of each Secured Security 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).

Any of the following events (each an "Event of Default") shall entitle a Holder, or the Distributor, to deliver a Default Notification:".

- (i) Collateral Security Condition 6.2 (Enforcement) shall be deleted in its entirety and replaced with the following:

"6.2 Enforcement

The Collateral Agent shall not be bound to take any action under or in connection with the Pledge Agreement (including without limitation enforcing the Pledge upon the Pledge becoming enforceable) (i) unless a Holder, or the Distributor acting on the instructions of a Holder, has delivered a Default Notification, no Event Dispute Notice in respect of such Default Notification at or prior to the end of the Dispute Period and the Collateral Agent has, as a result, delivered an Enforcement Notice 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 all the Pledges in accordance with all the Pledge Agreements relating to all the Collateral Pools.

No Holder shall be entitled to enforce the Pledges or to proceed directly against the Issuer to enforce the other provisions of the Pledge Agreement 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 Pledge, and after the realisation and liquidation in full of all the MTM Adjustable Assets in a Collateral Pool, the Collateral Agent shall determine the Security Termination Amount (and, if applicable, any Shortfall) in respect of each Secured Security and shall notify such amount to the Holders following such realisation and liquidation.

As Physical Delivery of Collateral is applicable in respect of the Reference Collateral Assets, upon delivery of the relevant Reference Collateral Assets in accordance with Collateral Security Condition 3.6 to the Holders, no further amount will be due to the Holders in respect of the Notional Amount of the Secured Securities.

If the Issuer fails to pay the Security MTM Termination Amount in full to a Holder in respect of a Secured Security held by such Holder, the amount by which the amount actually paid to the Holders is less than the Security MTM Termination Amount shall constitute a "Shortfall". The Issuer shall remain liable for the Shortfall, and in the event the Issuer fails to pay all of the Shortfall as and when it becomes due, the Guarantor will be liable for such Shortfall pursuant to the terms of the Guarantee.

No Holder shall be entitled to have recourse to the Collateral Assets contained in any Collateral Pool other than the Collateral Pool which relates to the Secured Securities it holds."

- (j) The definition of Collateral Asset Default in Collateral Security Condition 7.1(b) shall be deleted and replaced with the following:

"**Collateral Asset Default**" means (a) any of the Reference Collateral Assets in the Collateral Pool 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 Reference 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 Reference Collateral Assets or (c) any rescheduling, Restructuring, subordination, exchange or material amendment is announced by the Reference Collateral Asset Issuer or any governmental authority or occurs, in respect of the Reference Collateral Assets;"

- (k) Collateral Security Condition 7.2 shall be deleted in its entirety and replaced with the following:

"7.2 The following shall apply where an Optional Additional Disruption Event occurs which is a Collateral Asset Default and W&C Security Condition 15 shall not apply in connection with such Optional Additional Disruption Event. The Issuer shall redeem the Secured Securities as soon as reasonably practicable after the occurrence of the Collateral Asset Default by (a) delivering the Reference Collateral Assets in the Collateral Pool to the Holders of the Secured Securities and W&C Security Conditions 30 and 35.2 shall apply and, for such purposes, the Secured Securities shall be deemed to be Physical Delivery Certificates and the Entitlement shall be deemed to be the Reference Delivery Amount and (b) payment to the Holders of Secured Securities of an amount equal to the Reference Collateral Event Cash Settlement Amount.

Any reference in the W&C Security Conditions to Relevant Assets shall be deemed to be, in connection with a Collateral Asset Default, a reference to the Reference Collateral Assets comprising the Entitlement. Delivery of the Entitlement and payment of the Reference Collateral Event Cash Settlement Amount shall satisfy the Issuer's obligations in full in respect of the Secured Securities which, upon such payment and delivery, shall be redeemed.

In order to determine whether a Collateral Asset Default has occurred, the Calculation Agent and the Distributor (if any) will consult in good faith for up to five Business Days following the notification by the Calculation Agent or the Distributor to the other party of the potential occurrence of a Collateral Asset Default (a "**Consultation Period**") to agree whether or not a Collateral Asset Default has occurred.

If, following a Consultation Period, the Calculation Agent and the Distributor are not in agreement as to the occurrence or non-occurrence of a Collateral Asset Default, the Calculation Agent will consult three participants in the market for the Reference Collateral Assets that are independent of the Issuer, the Distributor or their respective Affiliates as to whether a Collateral Asset Default has occurred. The majority view of such market participants shall be the binding determination and any costs incurred in obtaining such views shall be borne by the Calculation Agent or the Distributor

whichever held the view during the relevant Consultation Period that did not correspond to the majority view of the market participants.

If it is not possible to obtain the views of three such market participants, the original determination of the Calculation Agent as to whether a Collateral Asset Default has occurred shall apply. If there is no Distributor specified in the applicable Final Terms, the Calculation Agent will determine whether a Collateral Asset Default has occurred.

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 and, in connection with such cancellation, the notional amount of the Option will be reduced to reflect the reduced aggregate Notional Amount of the Secured Securities.

Following the determination that a Collateral Asset Default has occurred, the Calculation Agent will notify the Holders in accordance with W&C Security Condition 10. From, and including, the Collateral Asset Default Date, no further Scheduled Underlying Reference Linked Payments will be made.";

- (1) The following definitions in Collateral Security Condition 1 shall be replaced with the definitions set out below:

**"Collateral Proceeds Share"** means, in respect of the series of Secured Securities, the pro rata share of each Secured Security (excluding any Secured Securities held by the Issuer or an Affiliate) in the Aggregate Collateral Proceeds Share applicable to such series of Secured Securities. For the avoidance of doubt, the Aggregate Collateral Proceeds Share applicable to each Security held by the Issuer or an Affiliate shall be equal to zero.

**"Collateral Valuation Date"** means a date on which the Collateral Calculation Agent determines the marked to market value of the MTM Adjustable Assets in the relevant Collateral Pool, and the marked to market value of the relevant Placed Secured Securities, on such periodic basis as is specified in the applicable Final Terms;

**"Eligible Collateral"** means, in respect of any series of Collateral Asset Linked Securities and the related Collateral Pool, the Reference Collateral Assets and the MTM Adjustable Assets specified in the applicable Final Terms;

**"Enforcement Expenses"** means all amounts due to the Collateral Agent and/or any appointee thereof; including any costs, expenses and taxes incurred in connection with the realisation of, or enforcement with respect to, the MTM Adjustable Assets in the Collateral Pool and the distribution of such proceeds, the delivery of the Reference Collateral Assets to the Holders of the Secured Securities and any other unpaid amounts payable to the Collateral Agent under the Agency Agreement;

**"Final Security Value"** means, in respect of a Secured Security, a pro rata share of the marked-to-market value of the portion of the Option that relates to Placed Secured Securities, as determined for the purposes of Collateral Security Condition 3.2 as at the Collateral Valuation Date immediately prior to the Enforcement Event;

**"Realisation Amount"** means the net realisation proceeds of the MTM Adjustable Assets following payment in full of all Enforcement Expenses; and

**"Securities Value"** means sum of the marked-to-market values of the portion of the Option that relates to Placed Secured Securities secured by the relevant Collateral Pool.

**"Security Termination Amount"** means the Security MTM Termination Amount.

9.3 The following additional definitions shall apply to Collateral Asset Linked Securities:

**"Collateral Asset Default Date"** means the date on which it is determined in accordance with Collateral Security Condition 7.2 that a Collateral Asset Default has occurred;

**"Distributor"** means the party specified as such in the applicable Final Terms;

**"Initial Posting Date"** has the meaning given to it in respect of the relevant series of Secured Securities in the Final Terms;

**"MTM Adjustable Assets"** means assets which may comprise bonds or notes listed on a regulated market, shares listed on a regulated market, shares, notes 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 MTM Adjustable Assets for the relevant Collateral Pool;

**"MTM Collateralisation Element"** means the holding of MTM Adjustable Assets by the Issuer in the Collateral Account in order to collateralise the marked to market value of the portion of the Option which relates to the Placed Secured Securities;

**"MTM Security Enforcement Proceeds"** means the net proceeds of realisation of, or enforcement with respect to, the MTM Adjustable Assets in a Collateral Pool;

**"Nominal Value Collateralisation Element"** means the holding of the Reference Collateral Assets by the Issuer in the Collateral Account in order to collateralise the Notional Amount of the Placed Secured Securities;

**"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 Scheduled Underlying Reference Linked Payments in respect of the Secured Securities;

**"Realisation Proceeds"** means the remaining proceeds from the realisation of the MTM Adjustable Assets in a Collateral Pool following payment of 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 MTM Adjustable Assets, including any Enforcement Expenses;

**"Realisation Proceeds Share"** means in respect of a Secured Security, such Secured Security's pro rata share of the Realisation Proceeds;

**"Reference Collateral Assets"** means assets which may comprise bonds or notes listed on a regulated market, government bonds, 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 as the Reference Collateral Assets for the relevant Collateral Pool;

**"Reference Collateral Asset Issuer"** means the issuer of the Reference Collateral Assets, as specified in the applicable Final Terms;

**"Reference Collateral Event Cash Settlement Amount"** means 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;

**"Reference Delivery Amount"** means, in respect of each Placed Secured Security, a nominal amount of Reference Collateral Assets equal to the Notional Amount of such Placed Secured Security or such other amount specified in the applicable Final Terms;

**"Restructuring"** means the occurrence of any one or more of the following events with respect to the Reference 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 Reference Collateral Assets causing the subordination of the Reference Collateral Assets to any other obligation under which the Reference Collateral Asset Issuer is an obligor; or
- (iv) any change in the currency or composition of any payment of principal under the Reference 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 Reference Collateral Asset Issuer;

**"Scheduled Underlying Reference Linked Payment"** means any Premium Amount and/or any other amount specified as such in the applicable Final Terms;

**"Security MTM Termination Amount"** means, in respect of a Secured Security, the Realisation Proceeds Share applicable to such Secured Security or such other amount specified in the applicable Final Terms; and

**"Undeliverable Reference Collateral Assets"** means any Reference 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 Description Event.

## **10. Exercise Rights (Warrants)**

10.1 The first paragraph of W&C Security Condition 24.2 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 W&C Security Condition 24.3 (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."

## 11. **Redemption (Certificates)**

W&C Security Condition 34.1-8 (inclusive) will not apply.

### 11.1 General

Unless the Certificates are Exercisable Certificates, subject as provided in these Terms and Conditions, provided no Enforcement Event has occurred, each Certificate (other than a Credit Certificate or Collateral Security Credit Certificate) will be redeemed by the Issuer:

- (a) in the case of a Cash Settled Certificate, by payment of the Cash Settlement Amount; or
- (b) in the case of a Physical Delivery Certificate, subject as provided in W&C Security Conditions 5 and 35, by delivery of the Entitlement,

such redemption to occur in either case, subject as provided below, on the date falling on the fifth Business Day following the Valuation Date, unless specified otherwise in the applicable Final Terms (the "**Redemption Date**"). If (i) the date for payment of any amount in respect of the Certificates is not a Business Day, the holder thereof shall not be entitled to payment until the next following Business Day and shall not be entitled to any further payment in respect of such delay or (ii) the date for delivery of any Entitlement in respect of the Certificates is not a Settlement Business Day (as defined in W&C Security Condition 5.1), the Holder thereof shall not be entitled to delivery of the Entitlement until the next following Settlement Business Day.

The Certificates may also be subject to automatic early redemption upon the occurrence of an Automatic Early Redemption Event, as defined in and in accordance with the provisions of W&C Security Condition 34.9 if specified in the applicable Final Terms.

### 11.2 Credit Certificates and Collateral Security Credit Certificates

Subject as provided in these Terms and Conditions and as specified in the applicable Final Terms and provided no Enforcement Event has occurred, each Credit Certificate and Collateral Security Credit Certificate will be redeemed by the Issuer by payment of the Cash Settlement Amount such redemption to occur on the Redemption Date specified in the applicable Final Terms subject as provided in Annex 12 (Additional Terms and Conditions for Credit Securities) and, in the case of Collateral Security Credit Certificates, Collateral Security Condition 8. If the date for payment of any amount in respect of

the Certificates is not a Business Day, the holder thereof shall not be entitled to payment until the next following Business Day and shall not be entitled to any payment in respect of such delay.

### 11.3 Issuer Call Option

If Issuer Call Option is specified in the applicable Final Terms, the Issuer may, provided no Enforcement Event has occurred and having given:

- (a) except in the case of Certificates represented by Private Placement Definitive Certificates and Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, not less than the minimum notice period nor more than the maximum notice period specified in the applicable Final Terms (the "**Notice Period**") notice to the Holders in accordance with W& C Security Condition 10 and, in the case of Certificates represented by Private Placement Definitive Certificates and Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, not less than 30 nor more than 45 days' notice to the Holders in accordance with W& C Security Condition 10; and
- (b) not less than 15 days (or such Notice Period specified in the applicable Final Terms) before the giving of the notice referred to in (i), notice to the relevant Security Agent,

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

In the case of a partial redemption, the rights of Holders of Certificates represented by a Global Security, or Holders of Italian Dematerialised Certificates, Swedish Dematerialised Securities or Finnish Dematerialised Securities will be governed by the standard procedures of Euroclear, Clearstream Luxembourg, Euroclear France, Euroclear Netherlands, DTC, Monte Titoli, Euroclear Sweden, Euroclear Finland, as applicable, or any relevant Clearing System (as the case may be). With respect to Certificates represented by Private Placement Definitive Certificates, the Definitive Security Agent will select the Certificates to be redeemed individually by lot, not more than 45 days prior to the date fixed for redemption, and give notice to Holders, in accordance with Condition 10, of the serial numbers of the Certificates to be redeemed not less than 15 days prior to the date fixed for redemption. Private Placement Definitive Certificates may only be redeemed in minimum amounts of U.S.\$250,000 or more, and the remaining unredeemed portion thereof must be at least U.S.\$250,000. So long as the Securities are listed on the official list of Euronext Paris ("**Euronext Paris**") and admitted to trading on the regulated market of Euronext Paris and the rules of that stock exchange so require, the Issuer shall, once in each year in which there has been a partial redemption of the Certificates, cause to be published on the website of Euronext Amsterdam ([www.euronext.com](http://www.euronext.com)) a notice specifying the aggregate nominal amount of Certificates outstanding.

### 11.4 Holder Put Option

If Holder Put Option is specified in the applicable Final Terms, upon the Holder of any Certificate giving to the Issuer not less than the minimum notice period nor more than the maximum notice period notice specified in the applicable Final Terms (the "**Notice Period**") the Issuer will, upon the expiry of such notice and provided no Enforcement Event has occurred, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (but not in part), such Certificate on any date fixed for redemption as specified in the applicable Final Terms (an "**Optional Redemption**

**Date**") and at an amount (the "**Optional Redemption Amount**") specified in, or determined on the date (the "**Optional Redemption Valuation Date**") and in the manner specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date (each date and amount as specified in the applicable Final Terms). If Put Payout 2210 or 2300 is specified as applicable in the applicable Final Terms, the Optional Redemption Amount shall be Put Payout 2210 or Put Payout 2300, as applicable. If the product of Put Payout 2210 or Put Payout 2300, as the case may be is zero, no amount shall be payable on redemption of such Certificate.

If the Certificate is held outside DTC, Euroclear and Clearstream, Luxembourg, Euroclear France, Euroclear Netherlands and/or any other relevant Clearing System, to exercise the right to require redemption of the Certificate the Holder of the Certificate must deliver at the specified office of any Security Agent or the Registrar at any time during normal business hours of such Registrar or Security Agent falling within the Notice Period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Security Agent (a "**Put Notice**") and in which the Holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Collateral Security Condition 11.4, accompanied by the Certificate or evidence satisfactory to the Security Agent concerned that the Certificate will, following delivery of the Put Notice, be held to its order or under its control in a manner reasonably satisfactory to the Security Agent concerned. If the Certificate is held through DTC, Euroclear or Clearstream, Luxembourg, Euroclear France, Euroclear Netherlands, Monte Titoli, Euroclear Sweden, Euroclear Finland and/or any other relevant Clearing System, to exercise the right to require redemption of the Certificate the Holder of the Certificate must, within the Notice Period, give notice to the Security Agent concerned of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg, Euroclear France, Euroclear Netherlands, Monte Titoli, Euroclear Sweden, Euroclear Finland and/or any other relevant Clearing System (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg, Euroclear France, Euroclear Netherlands, Monte Titoli, Euroclear Sweden, Euroclear Finland and/or any other relevant Clearing System or any common depository for them to the Security Agent by electronic means) in a form acceptable to DTC, Euroclear and Clearstream, Luxembourg, Euroclear France, Euroclear Netherlands, Monte Titoli, Euroclear Sweden, Euroclear Finland and/or any other relevant Clearing System from time to time and, if the Certificate is represented by a Global Certificate, at the same time present or procure the presentation of the relevant Global Certificate to the relevant Security Agent for notation accordingly. In the case of Finnish Dematerialised Certificates, in order to exercise this option the Holder must transfer or procure the transfer of the relevant Certificates have been transferred to the account designed by the Finnish Security Agent and procure that such account is blocked for further transfer on or prior to the Optional Redemption Date. Any Put Notice given by a Holder of any Certificate pursuant to this Collateral Security Condition 11.4 shall be irrevocable.

#### 11.5 Redemption in Instalments

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

#### 11.6 Redemption of Partly Paid Certificates

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

#### 11.7 Exercise of Certificates

If the Certificates are Cash Settled Certificates and Exercise of Certificates is specified as applicable in the applicable Final Terms, provided no Enforcement Event has occurred, the Certificates (such Certificates "Exercisable Certificates") will be automatically exercised on the Exercise Date, or, if Multiple Exercise is specified as applicable in the applicable Final Terms, each Exercise Date subject as provided in the following paragraph and, in the case of Credit Certificates, to the provisions of Annex 12 (Additional Terms and Conditions for Credit Securities) and, in the case of Collateral Security Credit Certificates, Collateral Security Condition 8. Upon automatic exercise each Certificate entitles its Holder to receive from the Issuer the Cash Settlement Amount on the Redemption Date or, if Multiple Exercise is specified as applicable in the applicable Final Terms, the relevant Exercise Settlement Date.

If the Certificates are Italian Listed Certificates, prior to the Renouncement Notice Cut-off Time, as specified in the applicable Final Terms, on an Exercise Date, the Holder of a Certificate may renounce automatic exercise of such Certificate by the delivery or sending by fax of a duly completed Renouncement Notice (a "**Renouncement Notice**") in the form set out in the applicable Final Terms to the Italian 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, the Security Agents and the relevant Holder. Subject as set out below, any Renouncement Notice so determined to be incomplete or not in proper form shall be null and void. If such Renouncement Notice is subsequently corrected to the satisfaction of the Italian 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.

#### 11.8 Open End Certificates

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

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

## 12. **Payments (Certificates)**

W&C Security Condition 35.1 shall not apply. Except in the case of Registered Certificates, Swedish Dematerialised Certificates, Finnish Dematerialised Certificates and subject as provided below, the Issuer shall pay or cause to be paid the Cash Settlement Amount or Credit Event Redemption Amount (if any) (or in the case of Instalment Certificates, each Instalment Amount) or Security Realised Amount and an amount equal to the Shortfall (if any) for each Certificate by credit or transfer to the Holder's account with the relevant Clearing System or the Definitive Security Agent, as the case may be (in the case of English Law Certificates other than Swedish Dematerialised Certificates, Finnish Dematerialised Certificates and Certificates held through Euroclear France ("**Euroclear France Certificates**") and in the case of Certificates held through Euroclear Netherlands ("**Euroclear Netherlands Certificates**") or with the relevant Account Holder (in the case of Euroclear France Certificates or Euroclear Netherlands Certificates) for value on the Redemption Date (or (a) in the case of Instalment Certificates, on the relevant Instalment Date; or (b) if Multiple Exercise is specified as

applicable in the applicable Final Terms, on the relevant Exercise Settlement Date) less any Expenses, such payment to be made in accordance with the rules of such Clearing System or the Definitive Security Agent, as the case may be or Account Holder. Payment of any Shortfall by the Guarantor (if any) shall be made in the same manner as the Security Realised Amount is paid by, or on behalf of, the Issuer.

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

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

In the case of OET Certificates, the Issuer shall confirm to the Principal Security Agent and to the relevant Account Holders (in the case of OET Certificates held through Euroclear France or Euroclear Netherlands) or Euroclear and Clearstream, Luxembourg (in the case of OET Certificates held through Euroclear or Clearstream, Luxembourg), the Cash Settlement Amount to be paid in respect of each OET Certificate.

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

In the case of Registered Certificates, the Issuer shall pay or cause to be paid the Cash Settlement Amount or Credit Event Redemption Amount (if any) (or in the case of Instalment Amount, each Instalment Amount) or Security Realised Amount and an amount equal to the Shortfall (if any) in respect of each Registered Certificate (whether or not in global form) against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Certificate at the specified office of the Registrar or any of the Security Agents by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Certificate appearing in the Register (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear, Clearstream, Luxembourg and/or any other relevant Clearing System are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date (the "**Record Date**"). Notwithstanding the previous sentence, if (i) a holder does not have a Designated Account or (ii) the amount of the Certificates held by a holder is less than U.S.\$250,000 (or integral multiples of U.S.\$1,000 in excess thereof) (or its approximate equivalent in any other

Settlement Currency), payment will instead be made by a cheque in the Settlement Currency drawn on a Designated Bank (as defined below). For these purposes, "**Designated Account**" means the account maintained by a holder with a Designated Bank and identified as such in the Register and "**Designated Bank**" means (in the case of payment in a Settlement Currency other than euro) a bank in the principal financial centre of the country of such Settlement Currency and (in the case of a payment in euro) any bank which processes payments in euro. Payment of any Shortfall by the Guarantor (if any) shall be made in the same manner as the Security Realised Amount is paid by, or on behalf of, the Issuer.

In the case of Registered Certificates and where the Certificates pay interest, the Issuer shall pay or cause to be paid the Interest Amount (other than the final Interest Amount) in respect of each Registered Certificate (whether or not in global form) by a cheque in the Settlement Currency drawn on a Designated Bank and mailed by uninsured mail on the business day in the city where the specified office of the Registrar is located immediately preceding the relevant due date to the holder (or the first named of joint holders) of the Registered Certificate appearing in the Register (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear, Clearstream, Luxembourg and/or any other relevant Clearing System are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the fifteenth day (whether or not such fifteenth day is a business day) before the Record Date at his address shown in the Register on the Record Date and at his risk. Upon application of the holder to the specified office of the Registrar not less than three business days in the city where the specified office of the Registrar is located before the due date for any payment of interest in respect of a Registered Certificate, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) in respect of the Registered Certificates which become payable to the holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payment of the Interest Amount due in respect of each Registered Certificate on redemption will be made in the same manner as payment of the Cash Settlement Amount of such Registered Certificate.

Holders of Registered Certificates will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Registered Certificate as a result of a cheque posted in accordance with this Condition arriving after the due date for payment or being lost in the post. No commissions or expenses shall be charged to such holders by the Registrar/relevant Security Agent in respect of any payments of principal or interest in respect of the Registered Certificates.

None of the Issuer, the Guarantor (if applicable), the Collateral Agent or any of the Security Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Certificates or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

A record of each payment made on such Registered Global Certificate, distinguishing between any payment of the Cash Settlement Amount and any Interest Amount, will be made on such Registered Global Certificate by the Registrar to which such Registered Global Certificate is presented for the purpose of making such payment, and such record shall be prima facie evidence that the payment in question has been made.

The holder of the relevant Registered Global Certificate shall be the only person entitled to receive payments in respect of Registered Certificates represented by such Registered Global Certificate and the payment obligations of the Issuer or the Guarantor (if any) will be discharged by payment to, or to the order of, the holder of such Registered Global Certificate in respect of each amount so paid. Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other

relevant Clearing System, as the case may be, as the holder of a particular amount of Certificates must look solely to Euroclear and/or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of the relevant Registered Global Certificate. No person other than the holder of the relevant Registered Global Certificate shall have any claim against the Issuer or the Guarantor (if any) in respect of any payments due on that Registered Global Certificate.

In the case of Swedish Dematerialised Certificates, payment of the Cash Settlement Amount (if any) (or in the case of Instalment Certificates, each Instalment Amount) or Credit Event Redemption Amount (if any) Security Realised Amount, Shortfall and Interest Amount (if any) will be made to persons registered as Holders in the register maintained by Euroclear Sweden, in the case of Swedish Dematerialised Certificates issued in nominal, on the fifth Business Day, or in the case of Swedish Dematerialised Certificates issued in units, the fourth Business Day immediately prior to the Redemption Date (or in the case of Instalment Certificates, Instalment Date) or Interest Payment Date, as the case may be (the "**Payment Date**") or the date on which the Enforcement Event occurred (the "**Swedish Record Date**"). The Swedish Security Agent will pay the relevant amount through Euroclear Sweden to each Holder appearing in the Euroclear Sweden Register on the Swedish Record Date on the Payment Date or on the relevant date on which the Security Realised Amount is paid in accordance with these Collateral Security Conditions.

In the case of Finnish Dematerialised Certificates, payment of the Cash Settlement Amount (if any) (or in the case of Instalment Certificates, each Instalment Amount) or Credit Event Redemption Amount (if any), Security Realised Amount, Shortfall and Interest Amount (if any) will be made to persons registered as Holders in the register maintained by Euroclear Finland, in the case of Finnish Dematerialised Certificates issued in nominal, on the Business Day preceding the Redemption Date (or in the case of Instalment Certificates, Instalment Date) or Interest Payment Date, as the case may be (the "**Finnish Payment Date**"), or in the case of Finnish Dematerialised Certificates issued in units, on the fifth trading day following the Redemption Valuation Date (both referred to as the "**Finnish Record Date**"). The Finnish Security Agent will pay the relevant amount to each Holder appearing in the Euroclear Finland Register on the Finnish Record Date, in the case of Finnish Dematerialised Certificates issued in nominal, on the Finnish Payment Date (being the first Business Day following the Finnish Record Date), or, in the case of Finnish Dematerialised Certificates issued in units, on the third Business Day following the Finnish Record Date, or on the occurrence of an Enforcement Event, in accordance with the rules and regulations of Euroclear Finland. 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 applicable provisions specified in the applicable Final Terms, or 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 determination of any amount in respect of interest or premium amount due in respect of the Certificates on an Interest Payment Date or Premium Amount Payment Date (such date a "**Scheduled**

**Payment Date**") is calculated by reference to the valuation of one or more Underlying Reference(s) and the date (or final date, as the case may be) for such valuation is postponed or delayed as provided in the Terms and Conditions to a date (such date the "**Delayed Date**") falling less than two Business Days preceding such Scheduled Payment Date, notwithstanding any provision to the contrary in the Terms and Conditions such Interest Payment Date or Premium Amount Payment Date, as the case may be, shall be postponed to the day falling two Business Days following such Delayed Date and no interest, premium or other amount shall be payable on the Certificates in respect of such delay.

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

## ANNEX TO THE ADDITIONAL TERMS AND CONDITIONS FOR SECURED SECURITIES

### ELIGIBLE COLLATERAL ANNEX

This Eligible Collateral Annex applies where either Part A or Part B 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.

## AMENDMENTS TO THE DESCRIPTION OF BNPP INDICES

The Description of BNPP Indices is amended as set out below:

The following new paragraph 17.7 is added after paragraph 17.6 (which was deemed added to the Base Prospectus by virtue of the Third Supplement):

"17.7 BNP Paribas Strategy C51 Index

The objective of the BNP Paribas Strategy C51 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. 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. Exposure to Gold and Silver is achieved through the excess return versions of the relevant S&P mono-indices. Exposure to Soybean Oil and Soybean Meal is achieved through the excess return versions of the relevant Dow Jones-UBS mono-indices. The maximum weight of each commodity is set at 20% of the index and the weighting of the index to the petroleum sector (Brent and WTI crude oil, heating oil, unleaded gasoline and gasoil) may not exceed 35%, while the weighting of the index to the soybean sector (soybeans, soybean meal and soybean oil) and wheat sector (wheat, Kansas wheat) may not exceed 20% each. The number of index components may be adjusted on a yearly basis, following any adjustment of the composition of the Dow Jones-UBS Commodity Index.

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	"
BNP Paribas Strategy C51 Index	USD	Cash Less	Dow Jones – UBS Commodity Index	Standard and Poor's	BNPIC51P	

## AMENDMENTS TO THE INDEX OF DEFINED TERMS IN RESPECT OF THE W&C SECURITIES

The Index of Defined Terms in respect of the W&C Securities is amended as set out below:

- (a) the definition of "ER Floor" is deleted and replaced with the following:

""**ER Floor Percentage**" is as defined in Payout Condition 2.3(b).";

- (b) the definition of "Enforcement Expenses" is deleted and replaced with the following:

""**Enforcement Expenses**" is as defined in the Collateral Security Conditions, Part A, Part B and Part C, Collateral Security Condition 1 and in the Collateral Security Conditions, Part B, Collateral Security Condition 9.2(j).";

- (c) the following new definitions are inserted in alphabetical order:

""**Fallback Collateral**" is as defined in the Collateral Security Conditions, Part A, Collateral Security Condition 1 and Part B, Collateral Security Condition 1.

"**Fallback Condition**" is as defined in the Collateral Security Conditions, Part A, Collateral Security Condition 1 and Part B, Collateral Security Condition 1.

"**Fallback Determination Date**" is as defined in the Collateral Security Conditions, Part A, Collateral Security Condition 1 and Part B, Collateral Security Condition 1.

"**Gearing Down**" is as defined in Payout Condition 2.12.

"**Gearing Up**" is as defined in Payout Condition 2.12.

"**Hedging Failure Determination Date**" is as defined in the Collateral Security Conditions, Part B, Collateral Security Condition 1.

"**Hedging Failure**" is as defined in the Collateral Security Conditions, Part B, Collateral Security Condition 7.1(c).;

"**Notional Value Collateral Asset Linked Securities**" is as defined in the Collateral Security Conditions, Part B, Collateral Security Condition 9.1.

"**FI Constant Percentage 1**" is as defined in Payout Condition 3.6.

"**First Traded Price**" is as defined in Index Security Condition 9.1.

"**Actual First Traded Price**" is as defined in Index Security Condition 9.1."

- (d) the definition of "Security MTM Termination Amount" is deleted and replaced with the following:

""**Security MTM Termination Amount**" is as defined in the Collateral Security Conditions, Part B, Collateral Security Condition 1 and Collateral Security Condition 9.2(j) and in the Collateral Security Conditions, Part C, Condition 9.3."; and

- (e) the definition of "Up Fixed Redemption Value" is deleted and replaced with the following:

""**Up Final Redemption Value**" is as defined in Payout Condition 2.12.".

## AMENDMENTS TO THE INDEX OF DEFINED TERMS IN RESPECT OF NOTES

The Index of Defined Terms in respect of Notes is amended as set out below:

- (a) the definition of ER Floor is deleted and replaced with the following:

**""ER Floor Percentage"** is as defined in Payout Condition 2.3(b).";

- (b) the following new definitions are inserted in alphabetical order:

**""FI Constant Percentage 1"** is as defined in Payout Condition 3.6.

**"First Traded Price"** is as defined in Index Security Condition 9.1.

**"Gearing Down"** is as defined in Payout Condition 2.12.

**"Gearing Up"** is as defined in Payout Condition 2.12.

**"Actual First Traded Price"** is as defined in Index Security Condition 9.1."; and

- (c) the definition of Up Fixed Redemption Value is deleted and replaced with the following:

**""Up Final Redemption Value"** is as defined in Payout Condition 2.12.".

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

1. Le "Résumé du Programme" des pages 1119 à 1166 du Prospectus de Base est modifié comme suit:
- (a) Dans le premier paragraphe sous le titre "*Dans le cas d'Obligations émises par BNPP B.V.*" sous la section "**Fiscalité**" dans la troisième colonne de l'Elément C.8, le texte suivant est supprimé :

"ou imposés par toute autre juridiction ou par toute subdivision politique de celle-ci ou toute autre autorité de cette juridiction ayant pouvoir de prélever l'impôt, à laquelle BNPP serait soumis au titre des paiements en principal et intérêts effectués par lui au titre des Obligations"
  - (b) Dans l'Elément C.8, toutes les références au "Contrat de Service Financier des Obligations" sont supprimées et remplacées par "Contrat de Service Financier des Obligations (tel que modifié ou complété au cours du temps)";
  - (c) Dans l'Elément C.8, toutes les références au "Contrat de Service Financier de droit anglais" sont supprimées et remplacées par "Contrat de Service Financier de droit anglais (tel que modifié ou complété au cours du temps)";
  - (d) Dans l'Elément C.8, toutes les références au "Contrat de Service Financier de droit français" sont supprimées et remplacées par "Contrat de Service Financier de droit français (tel que modifié ou complété au cours du temps)";
  - (e) Dans l'Elément C.8, la dernière phrase du second paragraphe sous le titre "**Titres Assortis de Sûretés**" est supprimée et remplacée par ce qui suit:

"Si les Titres Assortis de Sûretés sont des Titres Indexés sur des Actifs Donnés en Garantie, l'Emetteur fournira des sûretés au titre de la Valeur Nominale des Titres Assortis de Sûretés concernés (ces sûretés étant ci après dénommées : les "**Actifs Donnés en Garantie de Référence**") et, en outre, l'Emetteur fournira des garanties au titre de la valeur réévaluée à la valeur de marché (« *marked to market* ») de l'option sur laquelle est indexée la Formule de Paiement Final relatif aux Titres Assortis de Sûretés (ces sûretés étant ci-après dénommées : les "**Actifs Ajustables MTM**") à moins que les Titres Assortis de Sûretés soient des "Titres Indexés sur des Actifs Donnés en Garantie de Valeur Notionnelle" dans quel cas aucune de ces sûretés ne sera donnée et la valeur de marché d'une telle option ne fera pas l'objet de sûreté."
  - (f) Dans l'Elément C.8, la dernière phrase du dernier paragraphe sous le titre "**Titres Assortis de Sûretés**" est supprimée et remplacée par ce qui suit :

"Si, après la réalisation ou l'exécution forcée de la sûreté constituée sur le Pool de Garanties, le montant payé aux titulaires de Titres grâce à la réalisation des Actifs Ajustables MTM ou, dans le cas de Titres Indexés sur des Actifs Donnés en Garantie de Valeur Notionnelle seulement, le montant payé par BNPP B.V. au titre de la valeur de marché de l'option que BNPP B.V. conclura afin de couvrir ses obligations, est inférieur au Montant de Liquidation MTM de la Sûreté obtenu grâce à cette réalisation, cette exécution forcée ou ce paiement, le montant de ce déficit sera irrévocablement garanti par BNPP"

2. Le "Modèle de Résumé du Programme Spécifique à l'Emission en relation avec le Prospectus de Base" des pages 1168 à 1216 est modifié comme suit :

- (a) Dans le premier paragraphe sous le titre "*Dans le cas d'Obligations émises par BNPP B.V., insérer :*" sous la section "**Fiscalité**" dans la troisième colonne de l'Elément C.8, le texte suivant est supprimé :

"ou imposés par toute autre juridiction ou par toute subdivision politique de celle-ci ou toute autre autorité de cette juridiction ayant pouvoir de prélever l'impôt, à laquelle BNPP serait soumis au titre des paiements en principal et intérêts effectués par lui au titre des Obligations"

- (b) Dans l'Elément C.8, toutes les références au "Contrat de Service Financier des Obligations" sont supprimées et remplacées par "Contrat de Service Financier des Obligations (tel que modifié ou complété au cours du temps)" ;
- (c) Dans l'Elément C.8, toutes les références au "Contrat de Service Financier de droit anglais" sont supprimées et remplacées par "Contrat de Service Financier de droit anglais (tel que modifié ou complété au cours du temps)" ;
- (d) Dans l'Elément C.8, toutes les références au "Contrat de Service Financier de droit français" sont supprimées et remplacées par " Contrat de Service Financier de droit français (tel que modifié ou complété au cours du temps)" ;
- (e) Dans l'Elément C.8, le paragraphe suivant le texte "[Si les Titres Assortis de Sûretés sont des Titres Indexés sur des Actifs Donnés en Garantie :]" dans la section "**Titres Assortis de Sûretés**" est supprimé et remplacé par ce qui suit:

"Les Titres Assortis de Sûretés sont des "**Titres Indexés sur des Actifs Donnés en Garantie**" et l'Emetteur fournira des sûretés au titre du montant nominal (la "**valeur nominale**") des Titres Assortis de Sûretés ("**Garantie de la Valeur Nominale**") (ces sûretés étant ci-après dénommées les "**Actifs Donnés en Garantie de Référence**") [et, en outre, l'Emetteur fournira des garanties au titre de la valeur réévaluée à la valeur de marché (« *marked to market* » et, par abréviation « *MTM* ») de l'option sur laquelle est indexée la Formule de Paiement Final relative aux Titres Assortis de Sûretés (ces sûretés étant ci-après dénommées les "**Actifs Ajustables MTM**")]."

- (f) Dans l'Elément C.8, la section commençant par le texte "Les Actifs Ajustables MTM figurant dans le Pool de Garanties seront [l'un ou plusieurs] des actifs suivants :]" et se terminant par le texte "Les Actifs Donnés en Garantie de Référence et les Actifs Ajustables MTM constituent les "Actifs Donnés en Garantie" pour les Titres Assortis de Sûretés.]" de la section "**Titres Assortis de Sûretés**" est supprimée et remplacée par ce qui suit :

"[Les Actifs Ajustables MTM figurant dans le Pool de Garanties seront [l'un ou plusieurs] des actifs suivants :

- (a) [[espèces en Euro]/[espèces en [●]][.];]
- (b) [actions ou autres titres de capital [ordinaires]] ; [actions de préférence ou autres titres de capital similaires ;] [actions ou autres titres de capital ordinaires

convertibles ;] [actions de préférence ou autres titres de capital similaires convertibles ;] [*American depositary receipts* ;] [*global depositary receipts* ;] [warrants] [●] [qui représentent une participation au capital d'une entité] ("**Titres de Capital Eligibles Donnés en Garantie**") [émis par [●]]/[Code ISIN [●] : ][et]

- (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] [*Pfandbriefe* 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 [●]:]

Les Actifs Donnés en Garantie de Référence [et les Actifs Ajustables MTM] constituent les "Actifs Donnés en Garantie" pour les Titres Assortis de Sûretés.]"

- (g) Dans l'Elément C.8, le dernier paragraphe de la section "*Titres Assortis de Sûretés*" est intégralement supprimé et remplacé par ce qui suit :

"[Les Actifs Donnés en Garantie de Référence et/ou la valeur réalisée grâce à la vente des Actifs Donnés en Garantie de Référence qui sont vendus en relation avec l'exécution forcée et la livraison, seront livrés aux titulaires concernés et un montant égal au Montant de Liquidation MTM de la Sûreté sera payable aux titulaires concernés. Si, après la réalisation ou l'exécution forcée de la sûreté constituée sur le Pool de Garanties, le montant payé aux titulaires de Titres [grâce à la réalisation des Actifs Ajustables MTM][grâce à la valeur de marché de l'option que BNPP B.V. conclura afin de couvrir ses obligations au titre des Sûretés] est inférieur au Montant de Liquidation MTM de la Sûreté obtenu grâce à [cette réalisation ou] cette exécution forcée [et ce paiement], le montant de ce déficit sera irrévocablement garanti par BNPP.]"

## RESPONSIBILITY STATEMENT

I hereby certify, having taken all reasonable care to ensure that such is the case that, to the best of my knowledge, the information contained in this Fifth Supplement is in accordance with the facts and contains no omission likely to affect its import.

The Statutory Auditors' report on the condensed consolidated financial statements for the six months ended 30 June 2013 of BNPP presented in the Second Update to the 2012 Registration Document is given on pages 154 to 155 of the Second Update to the 2012 Registration Document and contains an emphasis of matter paragraph (*observation*). The Second Update to the 2012 Registration Document is incorporated by reference in the Base Prospectus.

The Statutory Auditors' report on the consolidated financial statements of BNPPF for the six months ended 30 June 2013 is given on pages 95 to 96 of the BNPPF Interim Financial Statements and contains an emphasis of matter paragraph (*observation*). The BNPPF Interim Financial Statements are incorporated by reference in the Base Prospectus.

BNP Paribas  
16 boulevard des Italiens  
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Represented by

George Chodron de Courcel

In his capacity as Chief Operating Officer

Dated 12 November 2013



In accordance with Article 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 Fifth Supplement the visa n°13-602 on 12 November 2013. This Fifth Supplement has been prepared by BNP Paribas and its signatories assume responsibility for it. This Fifth Supplement and the Base Prospectus 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.